

Medr

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

Annual Report and Accounts

2025-26



Noddir gan
Lywodraeth Cymru
Sponsored by
Welsh Government

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Chair and Chief Executive's Overview

Welcome to our second annual report looking back over our activities during the 2025-26 financial year. We are pleased to report on the tangible progress we have made to deliver the commitments set out in our Strategic Plan 2025-30.



Professor Dame Julie Lydon
Chair



James Owen
Chief Executive

While this is our second annual report, it covers our first full year of operation – a year characterised by moving from transition to delivery.

For the first time, we invested over £1bn of funding in our tertiary education and research sector, supporting 324,000 learners across Wales. For the first time, we consulted on our regulatory approach, designed to strengthen learner engagement, drive best practice and ensure value for public money. And for the first time, we led a national conversation on the future of apprenticeships in Wales, engaging widely with learners, employers and delivery partners across Wales to shape a clear set of priorities for future improvement.

Alongside our focus on delivery, we have continued to strengthen our engagement with the sector, recognising the complex and multi-faceted challenges we face.



At the same time, expectations have never been higher – widening participation, responding to rapid economic change, supporting wellbeing and expanding Welsh-medium provision to name a few.



In this context, we want to place on record our appreciation for the incredible work being carried out every day by staff, leaders, partners and employers right across the sector. Their commitment and professionalism are critical to ensuring that Wales' tertiary education system continues to deliver for learners, communities and the economy, even in the most challenging circumstances. Looking ahead, our ambition remains clear.

We want a tertiary education and research system in Wales that enables learners to gain the knowledge, skills and confidence needed to support a thriving, inclusive and sustainable economy, now and in the future. The system must be flexible, joined up and responsive, offering coherent and accessible pathways at any point in life. Achieving this will require more collaboration; targeted investment; and a relentless focus on improving learner experiences and outcomes.

Medr was created to bring greater coherence and collaboration to our tertiary education and research system.

We are pleased to report on the difference we are already making and we look forward to working in close partnership with the new Government to support the delivery of their priorities and to enable a system that is centred around the needs of learners, communities and the economy for the benefit of Wales.

Professor Dame Julie Lydon and James Owen

About Us

Medr is the arm's length body responsible for funding and regulating tertiary education and research from 1 August 2024. This includes further education, higher education, apprenticeships, school sixth forms, adult community learning, and publicly-funded research and innovation.

We are the first such organisation in the UK, and one of the first globally, to combine this cross-tertiary remit.



Our tertiary education landscape includes



universities

(including the Open University)



further education colleges



local authorities

with responsibility for sixth form and adult community learning provision



Medr funding to local authorities supports **133 school sixth forms**



independent apprenticeship training providers

Our vision

To work in close collaboration with our partners to enable a tertiary education and research system that is centred around the needs of learners, society and the economy with excellence, equality and engagement at its heart.

Our values

Our values help to shape the culture of our organisation:



Dysgu: *to learn; to teach; to educate*

Learning is at the heart of everything we do. We believe curiosity fuels innovation and helps expand our horizons.



Cydweithio: *to work together; to collaborate; to co-operate*

We can achieve far more together than we ever could alone..



Cynnwys pawb: *to include everyone; to involve everyone*

We are passionate about inclusion, seeking to create the right conditions for everyone to achieve their full potential.



Rhagori: *to exceed; to excel*

We have high aspirations for tertiary education and research in Wales and always set high standards for ourselves to be the best we can be.

Performance overview

Over our first reporting period we highlighted the delivery of a smooth transition of a new organisation and remit.

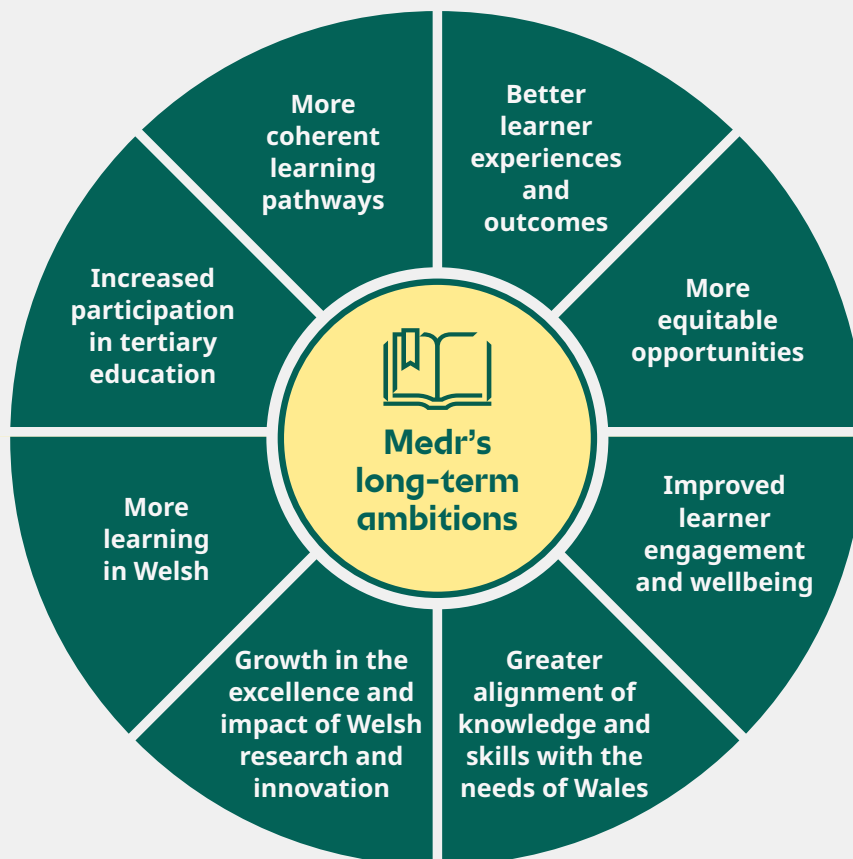
This reporting period has built on that, beginning to put strategy into action. This is perhaps most evident in the delivery of a new, [cross-tertiary regulatory system for Wales](#), a significant step towards us marrying the opportunity brought by our remit with the tangible results we want to promote.

Elsewhere Medr is already making a positive impact on learners. Whether it's [increasing the provision of junior apprenticeships](#) for those at high risk of falling out of education, supporting early career researchers or helping deliver the workforce of the future, we are using our investment and regulatory remit across the

breadth of tertiary education to benefit learners, communities and economies across Wales.

This feeds into our [Strategic Plan 2025-2030](#), which in turn takes account of the Welsh Government's [statement of strategic priorities for tertiary education and research and innovation](#), as well as the eleven strategic duties set out in the Tertiary Education and Research (Wales) Act 2022.

Our Plan sets out a foundation aim and five strategic aims (also our wellbeing objectives) to be taken forward over the next five years as we deliver on our vision and long-term ambitions for tertiary education and research.



Delivery against our Operational Plan

We published our Operational Plan in June 2025. The Plan set out the activity we prioritised in the 2025-26 financial year (FY) to make progress towards the founding and growth commitments in our Strategic Plan.

All of the activities presented in this Plan have been developed with our strategic aims and our long-term ambitions in mind.

Across the Operational Plan are activities that cut across strategic objectives such as equality of opportunity, Welsh language, participation and learner experience, as well as those that enable us to deliver our critical investment and regulatory functions.

Timescales for the delivery of some activities have changed during the year due to a shift in organisational priorities and being mindful of capacity both within Medr and across the tertiary education and research sector. To mitigate this, we have a clear strategy for accelerating the recruitment of staff in critical areas of the organisation and have maintained ongoing dialogue with providers and their representative bodies.

We have made significant progress translating strategic intent into practical change across the system and are on course for delivery. This section details some of the key activities and how they are enabling delivery against our strategic aims. In many cases the activity spans across multiple aims.

Foundation Aim

To establish Medr as a highly-effective organisation and trusted regulator.



Medr became operational on 1 August 2024, bringing together functions from the Higher Education Funding Council for Wales (HEFCW) and the Welsh Government with staff transferring across from the legacy organisations.

Having delivered a smooth transition of staff and functions, we have this year built on our stewardship of a tertiary sector experiencing significant challenges through clearly set out and evidenced funding and regulation practices.

Sector insight

Our work is built on evidence, and we have a statutory duty to monitor the financial sustainability of tertiary education providers. This includes ensuring providers have credible plans in place to ensure their short-term financial viability and longer-term financial sustainability.

For higher education, this evidence base was recently summarised in Medr's first financial sustainability of the higher education sector in Wales report, published in March 2026. The report was based on published financial statements for the academic year to 2024-25 and latest forecasts up to 2027-28, and provides detailed information at sector level on the operating position, cash balances, sources of income, expenditure, liquidity, cash flow, borrowing and capital expenditure.

That, as well as work to take lessons from elsewhere in the world such as the analysis we commissioned to better understand and reflect on issues experienced at the University of Dundee, has helped shape practices and priorities.

Our focus on insight has been apparent across the tertiary sector, most notably in strengthening engagement channels with providers and sector stakeholders, listening to learners and canvassing opinion to help shape opportunities, delivery and progress. This engagement ranges from regular and clear lines of communication to formal consultation and events.

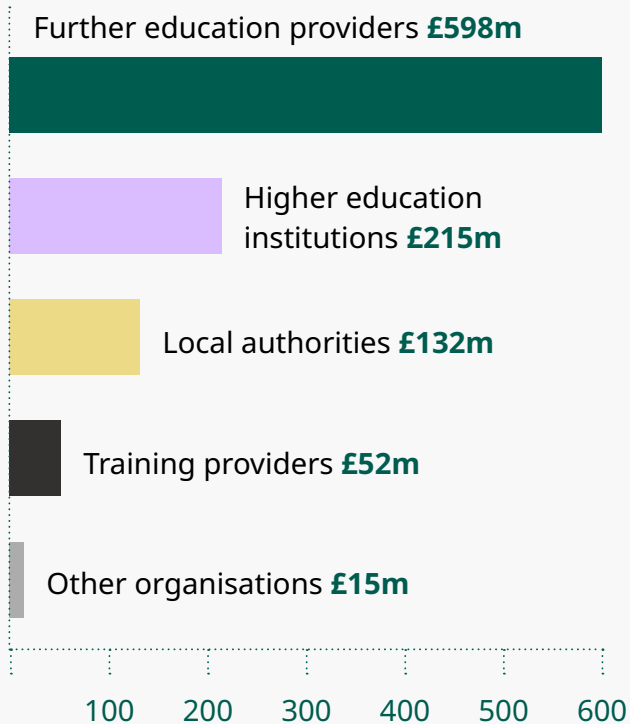
Investment and funding

We have this year invested over £1 billion in our tertiary education and research sector, allowing providers across Wales to deliver our priorities in line with our terms and conditions.

Some of our funding is also provided to organisations that support the sector or give us assurance around the delivery of those priorities such as Estyn, Jisc, Learning and Work Institute, the Quality Assurance Agency and the Learned Society of Wales.

Sector funding distribution 2025-26

What we invest in:



What is included in the investment allocated to our providers:

- Apprenticeships **£148m**
- Core further education funding (including further education provision and both additional learning support and additional learning needs funding) **£480m**
- Core higher education funding (including research and innovation funding) **£159m**
- Core local authority funding (including sixth form and adult community learning) **£128m**
- Targeted budgets **£43m**
- Tertiary education capital funding **£39m**
- Other funding **£15m**

Figures rounded to the nearest whole £m.

**Total Medr
funding
£1bn**
(£1,012m)

Most of this investment supports the direct delivery of tertiary education provision and research activity, and related activity to underpin it.

We also made a major investment of £5 million to support new ways of working across tertiary education institutions and geographical boundaries. We announced the [Strategic Development Fund](#) in October 2025 to encourage greater collaboration and support projects which contribute towards at least one of our strategic aims.

We invited applications from universities, further education colleges, local authorities and apprenticeship providers funded directly by Medr, with scope to collaborate with others more widely as lead partners. The twelve [successful projects](#) ranged from a regional project to explore innovative curriculum development for clean energy to the exploration of increased shared services among higher education providers, to the development of short courses to address regional skills shortages in digital, green skills, emerging technologies and advanced manufacturing.



Medr was established with a clear mandate to deliver for learners and maximise the opportunities that come from regulating and funding across the post-16 sector. Supporting more effective collaboration across tertiary providers is a key objective for Medr to deliver.

These projects show exactly what that approach can achieve: universities, colleges and local authorities working together to create new opportunities for learners right across Wales. I look forward to seeing the results of these partnerships.



Vikki Howells, Then Welsh Government Minister for Further and Higher Education

Our regulatory role

Medr continues to play a central regulatory role in overseeing the sector, ensuring that institutions operate within a robust framework of financial accountability, effective governance, and risk management.

Given the relatively small size of the sector, we have been able to continue to take a highly engaged approach, working closely with individual institutions to identify emerging risks early, provide guidance, and support mitigation strategies. This direct engagement strengthens oversight and enables proactive safeguarding of public funds. Through regular monitoring, scrutiny of financial performance, and assurance processes, Medr helps ensure that institutions maintain strong financial management practices, deliver value for money, and remain sustainable while fulfilling their strategic and public service obligations.

The design and development of Wales' first cross-tertiary regulatory framework – the first of its kind in the UK – is a key lever for delivering on our regulatory function.

A key component of this significant piece of work has been in the way we have chosen to engage with providers, learners and representative bodies across tertiary education to test, finesse and iterate proposals.

Multiple different in-person and online events took place over the two formal consultation periods in 2025, with hundreds of attendees from across the sector and across Wales engaging. The engagement sessions had a significant focus on ensuring that our joined-up approach also reflected differences within different parts of the sector, with helpful

contributions from across sectors informing amendments, improvements and revisions. Many providers will not have been subject to regulation in certain areas before, and the formal consultation responses that followed were overwhelmingly very well informed, clear and helpful in supporting Medr to deliver a new regulatory system which is well thought through, impactful and deliverable.

In April, following this extensive consultation and engagement, we published detail of our [new, cross-tertiary education regulatory system](#). It will formally come into force in August 2026.

The scale of our remit, coupled with the nature of Wales' tertiary landscape, has allowed us to be a thoughtful regulator – engaging in regular, constructive dialogue with providers while holding them to account in the pursuit of shared goals and ambitions. It is a comprehensive regulatory approach that strengthens learner engagement, drives best practice, and helps ensure value for public money across the sector.

The new regulatory system is a Wales-wide tertiary framework that brings together expectations on quality, equality of opportunity, learner and staff welfare, Welsh language, governance and financial sustainability. This system enables consistent oversight while allowing for proportionate, risk-based intervention where issues arise. It includes detail on our regulatory approach, intervention powers and the full regulatory framework while setting out conditions of registration or funding and a Quality Framework for tertiary education as well as a Learner Engagement Code.



Regulation can often feel procedural, but this cross-tertiary framework – the first of its kind in UK – will make a lasting, positive difference to learners across our tertiary education sectors.

We're very grateful for the insight and feedback offered by learners, providers and interested parties throughout the process to date and, while this marks an important milestone, it is by no means the end of the journey. The sector continues to evolve, and our regulatory approach will be under continuous review so that it can evolve with it.

With the publication of this thorough and wide-ranging regulatory framework, the iterative journey towards a fairer, more consistent and outcome-focused regulatory approach for the tertiary education and research sector in Wales can now begin in earnest.



Bethan Evans, Executive Director Regulation and Analysis at Medr

Social partnership

At Medr our relationship with the trade unions is one of partnership. Recognising how valuable constructive dialogue can be, we have quickly established our own internal social partnership structures.

Having become one of the first bodies in Wales to reach consensus with trade unions on our wellbeing objectives in line with the Welsh Government's social partnership goals, a co-created Social Partnership Agreement has been approved by our recognised trade union, PCS (Public and Commercial Services Union). As part of our continued partnership working, we regularly engage with PCS in our social

partnership forum where we discuss a range of issues affecting our workforce and priorities for the organisation.

The agreement embeds meaningful, collaborative working between Medr and employee representatives and is designed to foster a culture of trust and shared decision-making regarding employment matters and organisational practices.

We were pleased to reach consensus with PCS on our 2025-26 Annual Report and Accounts.

Building internal capability

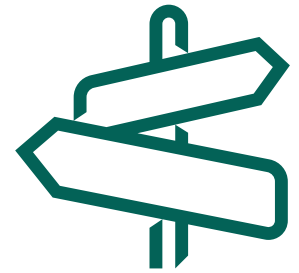
Internally, we have continued to build on the foundations laid during our first year in operation, not least in the continued recruitment of expertise and capacity to help deliver on our aims. This has happened across all levels at Medr, including at Senior Leadership level, with Bethan Evans and Francesca Hill joining in Executive roles.

Medr's first staff survey, conducted during this reporting period, reflects an engaged and constructive workforce (82% response rate), a strong alignment with purpose (95%) and high scores in autonomy (93%), trust (90%), and openness to ideas (90%). The survey also identified inconsistencies where our culture is still forming, and a need for clearer prioritisation of activity. We have since conducted further feedback and workshop sessions in order to reflect on the survey as a whole and make improvements where identified.

In terms of our ways of working, we have continued to build on the foundations laid during our first year in operation, not least in reviewing and benchmarking processes and practices as our remit continues to grow. An example of this is in having [the Office for Statistics Regulation assess us as having established a strong foundation as a new official statistics producer](#). We are now working to adopt seven further requirements to gain official statistics accreditation for key statistical publications.

Strategic Aim 1

To focus the tertiary education sector around the needs of the learner.



Success for Medr means creating the conditions in which every learner can thrive. We are in a unique position to be able to do this through a cross-tertiary lens, working with the sector, as well as holding providers to account all to drive collaboration, innovation and best practice.

Equality of opportunity

One of our long-term ambitions is to create more equitable opportunities for learners. This year, we took a significant step forward towards this ambition through the creation of the Equality of Opportunity condition as part of our regulatory framework.

This condition will require tertiary providers to deliver measurable outcomes aimed at improving participation from under-represented groups, supporting progression for those learners, and reducing attainment gaps. This sets out a coherent approach across all our providers who are subject to the regulatory framework, orientating us as a sector in the same direction: supporting more people from underrepresented groups to access and succeed in tertiary education.

Our ambition to promote equitable opportunities has also been supported by continued investment in the Reaching Wider programme, which brings together local authorities, colleges, universities and schools to support progression into higher education from underrepresented groups by raising educational aspirations. This year, Medr supported a new type of delivery within the

Reaching Wider programme with additional activities focused on the transition from Year 11 into tertiary education.

To strengthen this work, we are currently undertaking an external evaluation of our approach. The findings and recommendations from this evaluation will inform the development of future guidance based on evidence and impact for 2027/28.

Anti-racist Wales Action Plan

Medr continues to report higher and further education progress against the [Welsh Government's Anti-racist Wales Action Plan](#). Medr has sustained momentum by committing funding for anti-racism work across further education and higher education. This year's investment resulted in all universities in Wales awarded the [Advance HE Bronze Race Equality Charter Award](#). This significant achievement shows the higher education sector's commitment to becoming anti-racist universities. In further education, Medr continued to fund and monitor the anti-racism curriculum project and provided additional funding to support anti-racist leadership and governance.

Staff and learner wellbeing

We have strengthened and expanded our work in supporting wellbeing in tertiary education across both our regulatory and funding approaches.

The development and publication of our Learner and Staff Welfare regulatory condition will see providers undertake self-evaluation of their arrangements for supporting welfare, before developing two-year action plans intended to address any gaps or risks that they identify.

This regulatory approach is complemented by both our ongoing investment in providers' activity, supporting staff and learner mental health and wellbeing, and national work intended to use collaboration and shared endeavour to address some of the significant pressures providers face in supporting wellbeing.

This work includes our expanded investment in the National Mental Health Programme led by Cardiff University, which works across further and higher education to improve data collection on presentations of mental health issues and improve referral pathways into the NHS, as well as funding the myf.cymru project, which provides Welsh language mental health and wellbeing resources for students and has established a network of Welsh-speaking therapists and practitioners to support and train staff across further and higher education. Medr also invested in extensive activity to improve suicide prevention activities across tertiary education including through the national community of practice.

Violence Against Women, Domestic Abuse and Sexual Violence (VAWDASV)

Medr continues to work with stakeholders to tackle violence against women, domestic abuse and sexual violence across the tertiary sector. We have co-created a VAWDASV toolkit for universities, developed with Public Health Wales and the Welsh Government's VAWDASV National Advisor to address inconsistencies in the sector regarding terminology, data collection and training. Medr has provided higher education providers with investment to deliver a VAWDASV project which seeks to strengthen practices through enhanced training and support, improving data collection and developing a Wales-wide national practitioner network. In addition, we invested in Phase 2 of the peer-on-peer abuse project led by Colegau Cymru. The project builds on standardising data categories for reporting, embedding resources and developing a shared space for collaboration.

Learner Engagement Code / Learner voice

Involving learners in decision-making is one of the most effective ways for providers to identify how they can improve. It recognises learners' own expertise and experience and provides them with opportunities to develop skills and make a contribution to their education which benefits them and future learners.

To support providers in strengthening how they involve learners, and to give learners a clear sense of the expectations we have of providers, we have developed the [Learner Engagement Code](#), a key part of the new regulatory approach. Underpinned by a set of principles that were co-produced with learners, the Code aims to ensure learners' interests are represented, that they are given opportunities to share their views, and that they can meaningfully participate in their providers'

decision-making. With a focus on the impact of learner engagement in decision-making, the Code recognises and celebrates the diversity of the sector and its learners and the range of mechanisms that enable and support impactful learner engagement.

We worked collaboratively with sector stakeholders including learners, provider staff and representative groups to develop the Learner Engagement Code. Through a series of discussions, workshops and feedback opportunities, stakeholders have shaped the development of the Code at every stage.

The Code will apply to all parts of the tertiary education sector and was developed as part of a wider piece of work on our new regulatory system. It will apply to registered and funded providers through the conditions of the regulatory framework and to school sixth forms as a statutory duty, also set out in legislation.



Learner engagement is most effective when led by the needs of learners, therefore there isn't a single "right" approach to learner engagement, particularly in the tertiary education sector which encompasses a diverse range of learners and settings. Medr encourages innovation in learner engagement to meet the needs of learners and providers, and to drive continuous improvement.



Learner voice in Medr

We have always been clear that, just as we expect providers to meaningfully involve learners, we must also ensure that we create opportunities for the views and experiences of learners to inform our work. During our second year, we have made strong progress in developing a Learner Voice Forum approach that reflects the diversity of the tertiary sector and the lived experiences of learners. Rather than relying on a single formal forum, we have worked with learners and key partners to pilot a range of engagement mechanisms, enabling us to gather meaningful insight from different groups, understand the real-world impact of our policies, and identify potential unintended consequences at an early stage.

This year's work has focused on testing and developing these approaches alongside organisations such as NUS Cymru and Learning and Work Institute, while beginning to build capacity where representative structures do not yet exist. These pilots are shaping an evolving, proportionate model for learner voice – one that will allow the views of learners across Wales to be embedded consistently and credibly across Medr's policy development, delivery and reporting.

Junior apprenticeships

We are also responsible for delivery in one area outside tertiary education – junior apprenticeships. Expansion of the junior apprenticeship programme during 2025/26 reflects our commitment to strengthening participation and preventing disengagement. Junior apprenticeships provide learners aged 14-16 years old who might otherwise be at risk of disengaging from education with a meaningful pathway to further education, apprenticeship and employment.

Backed by an investment of £600k, we worked closely with colleges and local authorities to expand junior apprenticeship provision across Wales, increasing both geographic reach and learner choice. By supporting Grŵp Llandrillo Menai and Coleg y Cymoedd to offer vocational junior apprenticeship pathways, alongside provision already delivered by other colleges, we ensured that more year 10 and year 11 pupils were able to access high-quality, work-related learning combined with core qualifications. Programmes offer vocational pathways alongside English and/or Welsh and maths, with built-in work experience, and are designed to help learners rediscover confidence and succeed beyond traditional classroom settings.

The impact on learners speaks for itself. Evidence from schools, colleges and learners themselves highlights improvements in attendance, wellbeing, confidence and aspiration, reinforcing the value of early, supported vocational pathways as part of a more coherent system that works for learners and supports longer-term progression and participation across Wales.

Izzy is one of the students to benefit from the junior apprenticeships scheme:

"Before this provision I was bunking and not getting an education. I was a professional bunking student and never got taught.

"Now I care about coming on time, I have confidence, and I want to pass my GCSEs. I've made friends too – I never had friends before, just bunking buddies.

"I managed to score the best result I've ever had in maths, thanks to being here. It was the first time I was proud to show my results to my parents."

Independent Living Skills

Medr commissioned Estyn to undertake a [thematic review into Independent Living Skills \(ILS\)](#) to explore developments since the 2017 ILS review and to help inform the direction for future policy in this area. In summary the outcomes of the thematic review recognised significant improvements in the provision of ILS, particularly in personalising learning and improving collaboration, illustrating the 'life-changing' potential of the supported employment pathway for some learners. Most of the recommendations stemming from the review are addressed to further education institutions and local authorities. Two recommendations are for Medr, reflected in our operating plan, with significant work already underway towards delivery.

Medr's role and activity in sixth form provision

From 1 April 2026, we assumed formal statutory responsibilities for sixth form provision in Wales, as set out in the Tertiary Education and Research (Wales) Act 2022 (TERA) and the School Organisation Code. This marks an important step in bringing greater coherence to the post-16 system, with Medr now playing a central role in ensuring that decisions about sixth form provision are considered within a wider cross-tertiary context.

As part of this role, Medr acts as a statutory consultee on any proposals to establish, close, or make significant changes to sixth form provision in maintained, foundation, and voluntary aided schools. In doing so, we provide substantive, evidence-based responses to ensure that proposals align with our strategic priorities and contribute to a more coherent and sustainable post-16 landscape.

The legislation also gives Medr powers, where necessary, to require local authorities or governing bodies to bring forward proposals relating to sixth form provision, including changes to capacity or structure. While these powers exist in legislation we do not expect to be in a position where the use of such interventions is anticipated.

Alongside this, responsibility for the formation of 16-18 local curricula has transferred to Medr from Welsh Ministers under the Learning and Skills (Wales) Measure 2009, further strengthening our role in shaping the learner offer across the system.

To date, we have focused on building the foundations needed to deliver these responsibilities effectively and collaboratively. We have supported the Welsh Government in developing statutory guidance on 16-18 local curricula, which has been consulted upon and is expected to be published in summer 2026. At the same time, we have established our role within the school organisation process, ensuring we are ready to provide timely, robust and constructive input as a statutory consultee.

A key priority has been to promote early engagement with local authorities and partners. By encouraging discussions at the earliest stages of proposal development, we are helping to improve the quality, coherence and strategic alignment of emerging plans before they enter formal consultation. To support this further, we have begun developing framework guidance, which will be co-created with stakeholders across Wales. This guidance is intended to help local authorities shape proposals that are grounded in strong evidence, aligned with Medr's strategic priorities, and responsive to the long-term needs of learners and communities.

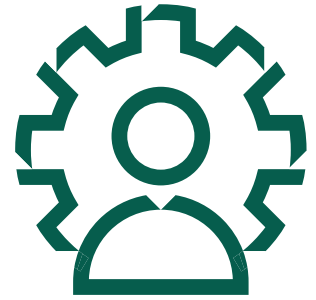
Looking ahead, we will also undertake a national baseline exercise during the 2026/27 academic year to map local curriculum arrangements across Wales. This will provide a clearer picture of current provision and inform the development of future policy and guidance for 16–18 education.

Our approach throughout is to work collaboratively and proactively. We aim to provide early, constructive support and challenge, help local authorities to develop coherent and evidence-based proposals, and ensure that decisions are taken with a long-term, system-wide perspective. Above all, we are focused on keeping the needs and outcomes of learners at the centre.

Through this work, we are playing a key role in building a joined-up and sustainable tertiary education system for Wales, in line with our wider strategic ambitions.

Strategic Aim 2

To create a flexible and joined-up tertiary system where everyone can acquire the skills and knowledge they need for a changing economy and society.



Medr plays a central role in strengthening place-based growth across Wales by aligning tertiary education, skills, research and innovation with regional and national priorities. Through our funding and regulatory powers, we support providers to act as civic anchors in their communities, working closely with employers, local authorities and partners to address local skills needs, drive innovation and contribute to regional economic development, recognising that impact is greatest when organisations work together and with their communities rather than in isolation. Our pan-Wales, cross-tertiary perspective enables us to connect local strengths with wider opportunity, ensuring that learners and communities can benefit from growth wherever it occurs.

We brought together further and higher education providers to explore opportunities for research and innovation in regional

economic development. Cardiff Capital Region and Ambition North Wales shared lessons learned from early phases of UK Research and Innovation's (UKRI) Local Innovation Partnerships Fund and the Investment Zones. We considered Medr's role in enabling effective collaboration within regions, including in joining up research and innovation with the skills pipeline.

We continue to work closely with the Regional Skills Partnerships and emerging Corporate Joint Committees to understand skills needs at a local level. Our strengthening relationship is enabling us to work together to identify how other forms of investment coming into Wales, such as the Investment Zones, can complement Medr's core funding, to best serve the needs of the region and contribute to economic growth.

Understanding the landscape of tertiary provision

Insight is central to our role, enabling us to understand how the tertiary system is functioning, where it is misaligned, and where intervention or collaboration can add most value for learners and Wales.

During the year, we strengthened our system-level evidence base, bolstering our insights capabilities and allowing us to analyse more thoroughly where and how we should focus our resources.

An early example of this is in the publication of [Subjects of study: demand, provision and distribution of subject areas across higher education in Wales](#). This analysis brought together multiple datasets for the first time – including A level entries, UCAS applicant data and Research Excellence Framework 2021 submissions – to provide a richer picture of learner demand, subject provision and research concentration. The work supports more informed decision making around sustainability, learner choice and the institutional shape of provision, and demonstrates our commitment to using evidence transparently to support long-term planning rather than short-term reaction.

Alongside national analysis, we have begun to develop a more granular approach to tertiary provision analysis, piloting regionally grounded work that brings together quantitative data and local system intelligence. This approach draws on learner data, skills forecasts and employer insight to understand demand, provision and progression across vocational and academic pathways.

New apprenticeship programme consultation

During September and October 2025, we led a national consultation on the future of apprenticeships in Wales. Throughout this process we engaged widely with learners, employers and delivery partners across Wales. The strong level of participation and feedback confirmed the underlying strengths of the current apprenticeship programme, while also providing clear evidence of where change is needed to better support learners, employers and the wider economy. The consultation's findings, [published](#) in February 2026, have given us a robust, evidence-based foundation for action and reinforced the importance of apprenticeships as a high-quality route into skilled employment and progression.

The consultation has shaped a clear set of priorities for improvement, with a strong emphasis on flexibility, inclusion and impact. Stakeholders highlighted the need for more agile programme delivery that can respond to economic change, stronger progression pathways across apprenticeship levels and into wider tertiary education, and enhanced support for both learners and employers – particularly small and medium-sized enterprises (SMEs). There was also clear backing for expanding bilingual provision and widening participation so that apprenticeships are accessible, valued and effective for people of all ages and backgrounds. Together, these outcomes are guiding our next phase of development, ensuring apprenticeships continue to meet the skills needs of Wales while delivering lasting benefits for learners, employers and communities.

Civic mission, and supporting communities

One of our strategic duties is to ensure that the tertiary education system supports the economic, social, environmental and cultural wellbeing of Wales, through their civic mission activity which goes beyond core education and research.

Our tertiary education and research providers should be a central part of the local and regional communities in which they reside, and providers should share their knowledge for the benefit of these communities and engage with them in the process of knowledge creation, promoting social cohesion, widening access to opportunities and supporting greater prosperity.

Our support for [Regional Civic Engagement Partnerships](#) has enabled our colleges and universities to come together to develop collective solutions to common challenges, taking a strategic approach to their civic role, based on the needs of communities.

The [South Wales Civic Engagement Partnership](#), which brings together the 10 tertiary education providers operating in the Cardiff Capital Region (CCR), used the regional partnership funding to invest in collaborative civic projects that support communities in realising aspirations. Impacts from the projects included increasing confidence in literacy and science in schoolchildren, raising aspirations in primary school children of STEM (science, technology, engineering and maths) careers, and engaging learners in active citizenship across the CCR.

The tertiary education and research sector not only delivers for communities across Wales today, but also equips learners with the skills, confidence and ambition to contribute meaningfully to the prosperity and wellbeing of their own communities in the future. For instance, our investment has supported the [Children's University](#) project in north Wales to address the need for more equal opportunities. The project encourages learners to engage in extra-curricular engagement and volunteering opportunities, recognising their success through graduation ceremonies, empowering learners to step up and act for their own communities and futures.

Medr supports the Learned Society of Wales to showcase activity like the civic projects [celebrated](#) at the House of Lords in January 2026. This includes public heritage and community regeneration projects, projects to help develop skills for employment and projects which support local people to come together to build a healthier, more cohesive and resilient Wales.

These are just some examples of how we are supporting the sector to work together and with communities to support skills development, promote wellbeing and develop civically-minded learners.

Strategic Aim 3

To ensure learners receive the highest-quality provision in a tertiary education sector that strives for continuous improvement.



At Medr we are clear that the breadth of our funding and regulatory powers can have a lasting, positive impact on learners wherever they are in tertiary education and whatever their pathway.

This year, our investment has reached 324,000 learners across Wales. Promoting best practice and helping drive standards for all within the tertiary system is a clear priority across our work.

Learners by learning type and provider, academic year 2024/25

Total learners in tertiary education in Wales
324k



Further
education
colleges

128k



Higher
education
institutions

142k



Independent
training
providers

24k



Local authority
community
learning

13k



School
sixth
forms

21k

Figures correct as of January 2026 and rounded to the nearest 1,000. Some learners may enrol at more than one type of provider. These learners are only counted once in the total figure.

Oversight of quality and continuous improvement

We provided ongoing oversight of the quality of tertiary education and how providers supported continuous improvement in their provision.

At the heart of our approach is the new regulatory condition for Quality and Continuous Improvement which sets out the requirement for providers to demonstrate good quality. The condition details the ways in which we will assess compliance including through data and external review, and also requires providers to take account of our new [Quality Framework](#).

Through our relationships with Estyn and the Quality Assurance Agency for Higher Education (QAA), we supported the ongoing cycle of inspection and review of provision. We have also supported work that has strengthened, where beneficial, alignment between different parts of the tertiary sector including ongoing work to establish shared principles of self evaluation.

Our statutory Quality Committee has considered and provided advice on quality matters over the course of the year. The Committee has informed the development of key features of the new regulatory framework including the condition for Quality and Continuous Improvement, the Quality Framework and Learner Protection Plans, along with the ongoing work to develop and consult on provider performance measures.

Quality Framework

One of the opportunities created by the formation of Medr is our ability to bring greater coherence and alignment to the ways in which the quality of tertiary education is assured, assessed and improved.

In April 2026, following extensive consultation with the sector and learners, we published our Quality Framework, a key component of our new regulatory system which sets out ways in which tertiary education and training providers can demonstrate they meet the requirements of our regulatory condition for Quality and Continuous Improvement.

The Framework is made up of 7 pillars which we believe support good learner outcomes: learner engagement, learner voice, engagement with the governing body, self evaluation, externality, continuous improvement and professional development.

The Framework is designed to promote a high-quality, consistent experience for all learners while supporting continuous improvement across providers, moving beyond just compliance to a drive for excellence and high aspirations for learners.

In time we would expect to see the Quality Framework and the clarity it offers shape and inform future developments: whether it is the ways in which providers consider how they can improve or in the development of the quality assurance approaches led by Estyn and QAA.

More on the framework, the Learner Engagement Code and how it sits in the regulatory landscape can be found on [Medr's website](#).

Learner Protection Plans

When a learner chooses to enter education or training, they do so based on the information available to them on where and how the provision will be delivered. However, sometimes circumstances change, whether they are things outside of the provider's control or decisions the provider makes in relation to how a course is delivered.

What matters for Medr is that learners are able to complete the programmes of study on which they're enrolled. In 2025-26 we consulted and published our condition for Learner Protection Plans and statutory guidance to support the condition. Our guidance sets out the circumstances in which we may require a provider to submit a learner protection plan

We expect the use of learner protection plans to be uncommon and, before requiring a plan, we will work with a provider to understand what steps they are taking and how they are engaging with and supporting learners. But this feature of our regulatory framework ensures that, when needed, we are able to work with providers to protect the learner interest and ensure they are able to complete their education or training as they hoped to when they enrolled.

Social partnership across the sector

We are also committed, as set out in our Strategic Plan, to actively promote social partnership within the sector, recognising that collaboration between providers and trade unions is mutually beneficial. This year, we have invested in a series of social partnership pilots in further education colleges, providing consultancy support to help develop models of collaboration tailored to the individual institution's structure, needs and priorities.

Promoting provider collaboration with trade unions

To support delivery of our commitment, we hosted a social partnership conference in June 2025 that was open to all relevant trade unions, providers and stakeholders across tertiary education.

The event provided an opportunity to deliver key messages about the value of collaboration and to engage with the sector, through workshops, to co-construct an ongoing programme of support to ensure the needs of the tertiary sector are met.

It was also a chance to hear in particular from providers such as Coleg Cambria and Coleg y Cymoedd, who have been piloting new approaches to social partnership over recent years. These examples of good practice and lessons learnt, as well as supporting materials, have been published and disseminated widely, providing an overview of different approaches to social partnership in further education, along with resources and case studies produced from previous pilot projects.

Workforce development

To help us to meet our commitment to support professional learning, we commissioned two studies designed to build a more comprehensive evidence base on the development needs of the tertiary sector workforce. These included a professional learning scoping study to explore the current arrangements and future needs of the tertiary workforce as a whole, and proposals on a system leadership programme to support effective collaboration across the sector. Both are due to report in summer 2026, and will inform the development of our plans for professional learning and leadership over the coming years.

Strategic Aim 4

To grow internationally-acclaimed research and inspire innovation throughout the tertiary education sector.



We work to promote and develop a thriving, excellent research base through supporting research and innovation cultures based on respect, integrity and inclusivity. Our funding mechanisms provide the flexibility and autonomy for institutions to deliver research and innovation with real-world significance focused the best outcomes for Wales. Our investment helps to build on Wales' strong record of delivering research with meaningful societal, economic, and global impact, ensuring that our universities continue to benefit communities at home while ensuring our nation remains internationally competitive.

Positive research environments and cultures

We have continued to support universities to build research environments with cultures focused on integrity, diversity and wellbeing that can attract and retain the best researchers and innovators from across the world through our [Wales Research Environment and Culture fund](#). Alongside institutional allocations, through the Learned Society of Wales we have supported a targeted small grant initiative to invest in grassroots, researcher-led [networks](#). The call attracted 73 applications, with 14 projects selected for support, including encouraging involvement of marginalised groups in climate change research and a network for ethnically minoritised postgraduate research students. The Wales Innovation Network

(WIN) established a Technicians Network, bringing together individuals who are crucial to successful research and innovation but are often overlooked by initiatives which focus on academic staff.

Within Medr, we have created a Postgraduate Researcher working group to join up policy development related to the researchers and innovators of the future. Our mapping of higher education subject provision showed that the proportion of full-time postgraduate research students in Wales as part of the UK total has fallen over the last five years to around 3%. This pipeline is vital to building the scale and excellence of our research base. We have built on our existing investment in the Welsh Graduate School for the Social Sciences with parallel support for [Lles](#), a new all-Wales arts and humanities doctoral centre.

For both doctoral centres, relatively small-scale investments from Medr have leveraged significant long-term investment from UK Research and Innovation (UKRI).

Working in partnership across the UK

The Research Excellence Framework (REF) is a UK-wide exercise for assessing the quality of research conducted in higher education institutions, and its outcomes guide the distribution of roughly £2 billion per year in UK public research investment. The exercise is collectively overseen by the UK's four higher education funding bodies. As Wales' funding body, Medr plays a key role in shaping the design and delivery of REF, ensuring that the Welsh research sector's priorities, strengths and distinct context are fully reflected in the development of the exercise. The central REF team published most of the remaining high level policy guidance for the 2029 exercise in December 2025, following a period of higher education sector engagement. The final guidance includes some streamlining from original proposals, reflecting learning from a pilot on assessing people, culture and environment, and the current financial constraints on universities.

We worked with the Learned Society of Wales (LSW) and the Wales Innovation Network (WIN) to encourage applications for the REF advisory and assessment panels, leading to 6% of disciplinary panel experts being recruited from Wales. We hosted a Meet the Community event with the REF Team in March 2026 as an opportunity for researcher leaders from all universities in Wales to meet key personnel and discuss topics including the importance and scope of research diversity, and how to ensure that the Welsh language, culture and context is reflected in the assessment process.

We have refreshed our relationship with UK Research and Innovation (UKRI) following the appointment of their new Chief Executive. We provided evidence about Wales' research strengths related to Industrial Strategy sectors, highlighting distinctive facilities and capabilities that have potential to generate economic growth. We have fed into the development of UKRI's new strategy and engage on an ongoing basis to support the understanding of differences across the UK to ensure the application of their new funding approach will enable all regions of Wales to access opportunities to strengthen world-leading research and innovation capacity.

Innovation for inclusive growth

The [Wales Innovation Network](#) (WIN) continues to be jointly funded by Medr and universities, and has moved into its second phase, focusing on strengthening collaboration, commercialisation and culture. WIN enables universities to work together on a Wales-wide basis to build critical mass in priority areas, develop pipelines of collaborative projects, improve research sustainability and enhance Wales' national and international research profile. WIN will be building on successful foundations from its first phase, where a relatively small investment of £2m leveraged £38m in extra investment. This included investments from 31 different funders, with this diversification of sources of income vital to creating sustainable research and innovation capacity.

While Medr investments are part of a much wider funding landscape, they play an important enabling role – supporting the research environment, talent pipeline and institutional capability that allow such innovation to flourish. To this end we have also worked with the other UK funding bodies to facilitate the inclusion of three Welsh universities on the list of spin-out best practice adopters.

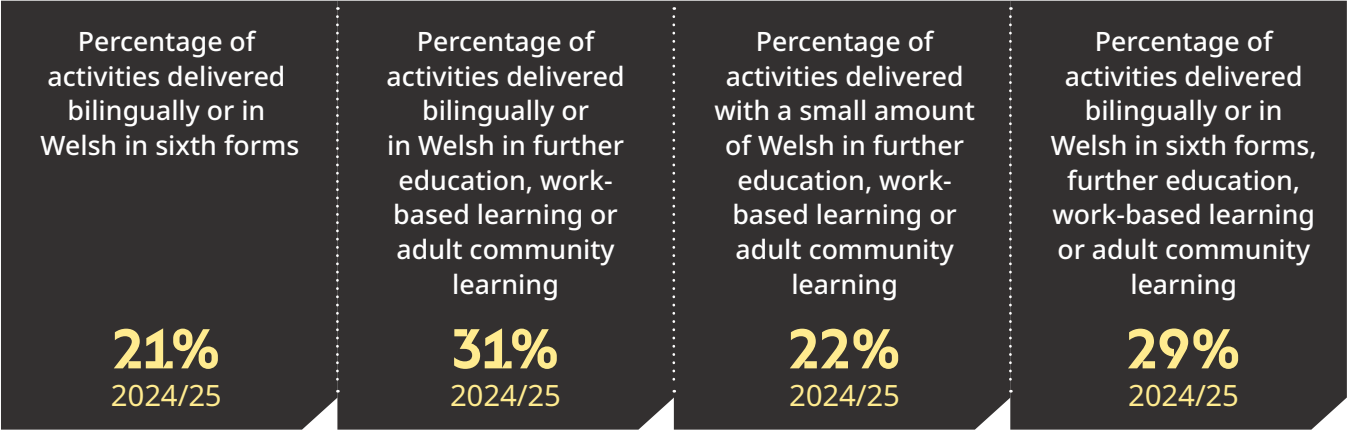
Wales continues to demonstrate excellence in turning research into real-world benefit, illustrated by recent success in university spin-outs and commercialisation. The [£107m investment secured by Draig Therapeutics](#), emerging from Welsh university research underpinned by Medr funding, is a powerful example of how high-quality research can attract global investment, create high-value jobs and deliver significant social and economic returns.

Strategic Aim 5

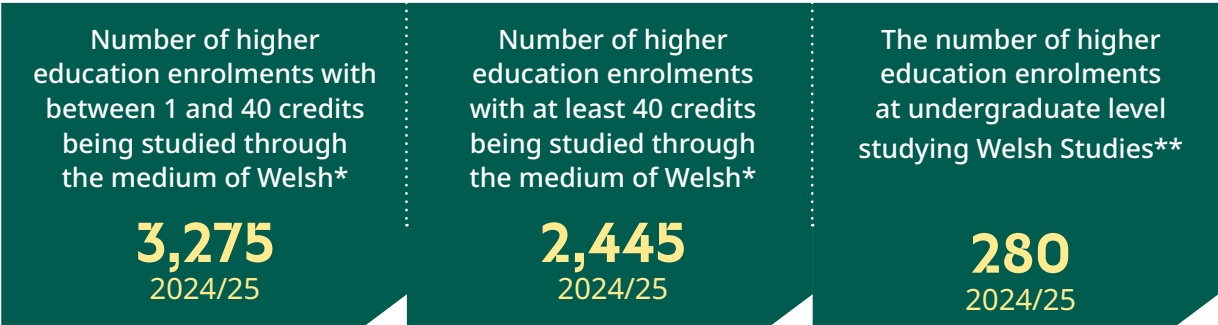
To encourage greater use of the Welsh language, increasing demand for and participation in learning and assessment through the medium of Welsh.



Welsh medium and Welsh as a subject in tertiary education – 2024/25



Note: “delivered bilingually or in Welsh” includes “a small amount of Welsh”



Figures correct as of July 2026 and rounded to the nearest 5.

Development of the Welsh Language condition

Medr's Welsh Language condition is a central element to our regulatory framework and reflects our statutory duties to promote the Welsh language across tertiary education and research.

The development of the condition has been shaped through close collaboration with key national partners, including the Coleg Cymraeg Cenedlaethol, which has been designated by Welsh Ministers to provide statutory advice to Medr to help us deliver on our duty to promote tertiary education through the medium of Welsh. We have also worked closely with the Welsh Language Commissioner to ensure regulatory alignment with the relevant Welsh language standards. We will continue to work with both the Coleg Cymraeg and the Welsh Language Commissioner to align our information gathering and monitoring processes, to reduce duplication and regulatory burden and strengthen our collective regulatory intelligence.

Published in April 2026, following significant consultation across the sector, the Welsh Language condition will apply as an ongoing condition of registration or condition of funding for all tertiary providers (except school sixth forms). This condition will require providers to take all reasonable steps to encourage greater use of the Welsh language and to increase demand for, and participation in, Welsh language education, training, and research. We anticipate that providers will need to have their Welsh language strategy in place by the annual assurance return submission deadline in December 2027. These strategies should reflect the provider's contribution to the National Plan for the

Welsh Language in Tertiary Education, to be published earlier the same year.

The Welsh Language condition is designed to support continuous improvement, recognising the diversity of provider contexts and starting points across the sector. Providers are expected to maintain and evaluate a clear Welsh language strategy, demonstrate how Welsh language provision is sustained and developed, and ensure that learners have access to accurate and accessible information about opportunities to study and engage through the medium of Welsh.

The scope of the condition includes Welsh-medium teaching, assessment and research, Welsh as an academic subject, and research relating to the Welsh language, Welsh language education and Welsh language policy.

We will monitor compliance through a proportionate, risk-based approach, drawing on annual assurance returns, provider self-evaluation (primarily through the publication of providers' Welsh language strategies), learner feedback, publicly available information and data, alongside intelligence from partner bodies such as the Coleg Cymraeg Cenedlaethol and the Welsh Language Commissioner. Where risks are identified, we may increase monitoring or require targeted action to support improvement. Through this condition, we seek to embed the Welsh language as a shared responsibility across the whole of tertiary education and create a framework within which providers, their staff and learners are encouraged to move further along the Welsh language continuum over time.

We continue to draw on the Coleg Cymraeg's expertise in this and other areas relating to Cymraeg, and fully consider and respond to any formal advice they provide, as we continue the implementation of our Strategic Plan 2025-2030 in partnership with all stakeholders.

National Plan for the Welsh Language in Tertiary Education

Alongside our work to develop a Welsh Language condition, we have worked closely with our key national partners to scope the development of our National Plan for the Welsh Language in Tertiary Education.

The National Plan, to be implemented from September 2027, will translate Medr's statutory duties into clear, measurable expectations for providers, affirmed by our regulatory framework. Working with our partners, our National Plan will support a more strategic approach towards encouraging the use of Welsh and the demand for, and participation in, Welsh language education across the tertiary sector, while recognising the diversity of provider contexts and the need to support progress from different baselines.

In June 2025, we established the National Plan Working Group. The Working Group is made up of representatives from across the Welsh language education sector and its role is to inform the development of the National Plan by providing constructive input and advice. Since its establishment, the Working Group has regularly convened and we have sought feedback on early drafts of the Welsh Language condition, developed high-level principles and identified cross-cutting themes for the National Plan, and begun to explore

these themes in greater detail.

As we look to the year ahead, we will move from initial development of the National Plan towards shaping and testing our thinking with the sector, before consulting on a full draft of the National Plan by the end of 2026. We will then refine the Plan ahead of the intended final publication in Spring 2027, which will be supported with clear communications and practical, proportionate guidance to help providers prepare for implementation from the 2027/28 academic year onwards.

Promoting best practice among providers

One of the successful Strategic Development bids outlined on page 11 was from Rhondda Cynon Taf County Borough Council, bringing forward a project connecting Welsh-medium school sixth forms across the borough and neighbouring local authorities.

The Cyfleoedd+ project aims to strengthen strategic leadership of Welsh-medium tertiary provision in the county, working collaboratively to enhance learner choice and experience, by identifying and using effective hybrid delivery models and taking advantage of the shared subject expertise between schools.

The project will also explore opportunities to bridge between school and college provision, through creating a resource of signposting to Welsh-medium opportunities within the college and community for those learners not wishing to stay in sixth form provision. It's an example of the positive improvements Medr can support through targeted investment and clear direction.

Financial Report

Establishment of Medr

Medr is a Welsh Government Sponsored Body. Medr became operational on 1 August 2024, with the commencement of Section 23 of the Tertiary Education and Research (Wales) Act 2022. Medr inherited functions, from the Higher Education Funding Council for Wales (HEFCW) and the Welsh Government with staff transferring across from the legacy organisations. A transfer order was put in place at midnight on 1 August 2024, which transferred staff, assets and liabilities from HEFCW and, where set out, the Welsh Government. Costs incurred by the Welsh Government or HEFCW for the establishment of Medr prior to 1 August 2024 have been recorded and accounted for by those organisations.

In line with the Government Financial Reporting Manual the transfer of functions from HEFCW and the Welsh Government to Medr is treated as transfer by absorption. The recorded amounts of net assets have been brought into the financial statements of Medr from 1 August 2024. Net asset carrying value has been recorded as a non-operating gain from the transfer of function, through net expenditure. Any revaluation reserves and accumulated depreciation has been transferred, with corresponding adjustments to the general fund reserve.

Due to the expanded functions conducted by Medr to those exercised by HEFCW and the Welsh Government, the additional disclosure of historical financial performance of the functions undertaken by HEFCW does not contribute to a useful understanding of the operational performance of Medr. HEFCW accounts for the period 01 April 2023 to 31 July 2024 are available in [English](#) and [Welsh](#).

Financial Overview

	2025/26 (12 Months) £'000	2024/25 (8 Months) £'000
Funding of tertiary education:	(1,012,397)	(686,427)
Medr operating expenditure	(11,669)	(6,821)
Interest	(29)	(23)
Income from activities	10,469	4,507
Grant-in-aid – funding from the Welsh Government	1,014,349	692,256
Increase/(decrease) in Taxpayers' Equity	723	3,492

Further analysis of the funding of tertiary education expenditure is shown in note 3 to the accounts on page 87.

Financial analysis

Grant-in-aid funding from the Welsh Government amounted to £1,014m which was credited directly to the taxpayers' equity general reserve (see 'Statement of financial position' on page 80 and 'Statement of changes in taxpayers' equity' on page 82). The cumulative taxpayers' equity general fund as at 31 March 2026, after crediting the grant-in-aid referred to above, was £9.2m. The financial accounts will always record a net operating costs' result for the year because of the crediting of the Welsh Government funding received to the taxpayers' equity general reserve.

Medr Operating Expenditure 2025-26

	2025/26 (12 Months) £'000	2024/25 (8 Months) £'000
Staff costs	9,530	5,456
Other	1,530	958
Total*	11,060	6,414

* Does not include depreciation or amortisation.

Financial performance indicators

Medr's cash balance as at 31 March was £9.1m which represented 0.9% of total grant-in-aid funds available and remained within the maximum of 2% of total funding for the year permitted by the Welsh Government, as set out in the Framework Document between Medr and the Welsh Government.

Medr's target is to pay suppliers of goods and services within five working days of receiving a valid invoice. We paid 60.8% of invoices within five working days and 92.3% within ten working days, with an overall average payment time of 6.05 days.

Performance

I am satisfied this is an accurate report on our performance during the reporting period.

Going Concern

In the reporting period, the Welsh Government allocated funding to Medr on a financial year (FY) basis from 1 April 2025 to 31 March 2026. Most funding is provided to eligible institutions and providers on an academic year (AY) basis from 1 August to 31 July. Therefore, Medr has a requirement to meet the remaining AY 2025/26 (from 1 April to 31 July 2026) funding commitments. Medr will fund this through grant-in-aid from the Welsh Government. Following approval by the Senedd of the Welsh Government budget for 2026-27, the Welsh Government confirmed on 26 March 2026 that Medr's budget for FY 2026-27 would be £1,018.5m. Therefore, in accordance with the Financial Reporting Manual, it is appropriate for Medr to prepare its 2025-26 Annual Report and Accounts on going concern basis.

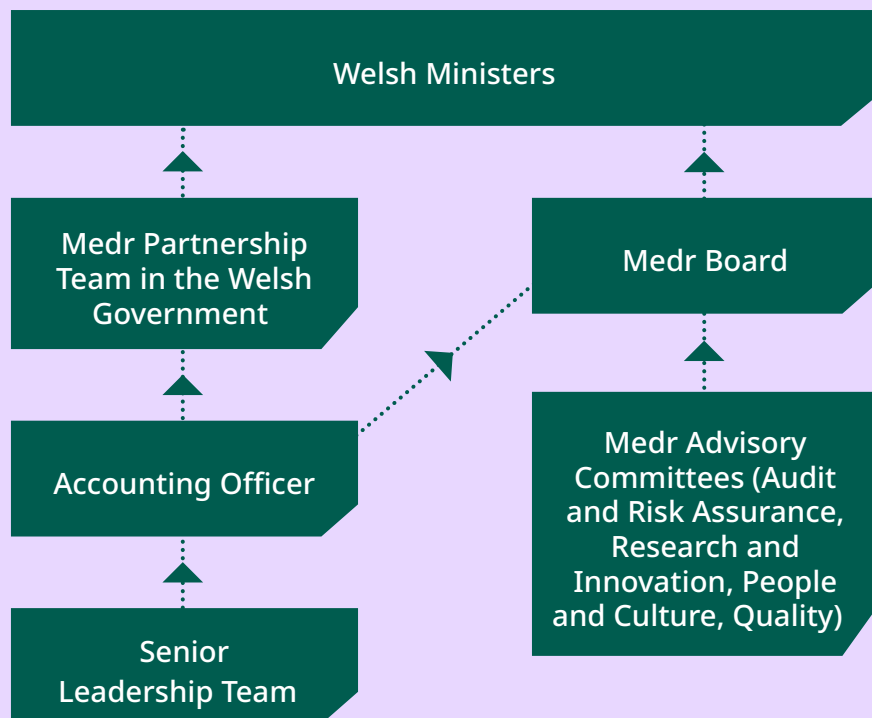
James Owen, Chief Executive
25 September 2026

Accountability Report

Corporate Governance Report

As Accounting Officer of Medr, I am accountable to the Permanent Secretary of the Welsh Government as its Principal Accounting Officer for the discharge of my responsibility to maintain sound systems of governance, risk management and internal control. These systems support the achievement of our strategic aims and statutory duties, while safeguarding the public funds and Medr assets for which I am personally responsible, in accordance with the responsibilities assigned to me in the Welsh Government guidance [Managing Welsh Public Money](#) and our [Framework Document](#) with the Welsh Government. I am responsible for ensuring that the public funds and assets assigned to Medr are used economically, efficiently and effectively. I also acknowledge my responsibilities in respect of the funds provided to Medr, which are allocated to tertiary education providers and others for education, research and innovation, training and associated purposes.

Our governance structure



Our Senior Leadership Team

Our Senior Leadership Team provide executive oversight and leadership in the delivery of Medr's Strategic Plan. During the reporting period, responsibility for oversight of funding shifted to the Executive Director Policy (now Executive Director Policy and Investment). Oversight had previously sat with the Executive Director Regulation and Funding (now Executive Director Regulation and Analysis).

Name	Title
Simon Pirotte (until 31 July 2025)	Accounting Officer and Chief Executive
James Owen (from 1 August 2025)	Accounting Officer and Chief Executive
Rhian Edwards	Executive Director Policy and Investment
Bethan Evans (from February 2026)	Executive Director Regulation and Analysis
Francesca Hill (from December 2025)	Chief Operating Officer
Harriet Barnes	Director of Research, Innovation and Skills
Dr Ewen Brierley	Director of Regulation
Sioned Cardew-Richardson (from April 2025)	Director of Statistics and Analysis
Giles Cutler	Chief Financial Officer
Geoff Hicks	Director of Development, Investment and Performance
Kieron Rees	Director of Learner Experience
(Vacant)	Chief Digital Officer

Our Board

Our Board provides strategic leadership, promotes high standards of public finance, monitors performance against our strategic plan and ensures our activities are conducted efficiently and effectively in line with the requirements of arms-length bodies in Wales.

Our Board is made up of our Chair, Deputy Chair, and nine other ordinary members that are public appointees. The Chief Executive is also a member of the Board. The current Chief Executive was appointed by the Board for an initial five-year term on 2 June 2025, taking up post on 1 August 2025, following an extensive external recruitment process and Ministerial approval of the appointment on 5 June 2025. We also have four associate Board members, representing our workforce, the Welsh tertiary education workforce and learners in Wales. No Board member left their post during the reporting period.

Our Board members are required to follow the [“Seven Principles of Public Life”](#) set out by the Committee on Standards in Public Life and comply with the [Code of Conduct for Board Members of Public Bodies 2019](#). Details of Board members declared interests are available at [Board and governance – Medr](#).

As at 31 March 2026 the following were Medr Board members:

Board members

Name	Board Term of Office	Board Meeting Attendance
Professor Dame Julie Lydon Chair	First term, 16 January 2023 to 15 January 2028	10 of 10 meetings
Professor David Sweeney Deputy Chair	First term, 16 January 2023 to 15 January 2028	10 of 10 meetings
Simon Pirotte (until 31 July 2025)	In line with term as Chief Executive	4 of 4 meetings
James Owen (from 1 August 2025)	In line with term as Chief Executive	6 out of 6 meetings
Professor Aaqil Ahmed	First term, 1 August 2024 to 31 July 2027	10 out of 10 meetings
Dr Gwenllian Lansdown Davies	First term, 4 September 2023 to 3 September 2027*	6 out of 10 meetings
James Davies	First term, 1 April 2024 to 31 March 2027	8 out of 10 meetings

Name	Board Term of Office	Board Meeting Attendance
Cerys Furlong	First term, 4 September 2023 to 3 September 2027*	9 out of 10 meetings
Jeff Greenidge	First term, 1 September 2024 to 31 August 2027	10 out of 10 meetings
Rob Humphreys	First term, 1 August 2024 to 31 March 2027	10 out of 10 meetings
Stephen Marston	First term, 4 September 2023 to 3 September 2027*	10 out of 10 meetings
Professor Chris Millward	First term, 4 September 2023 to 3 September 2027*	9 out of 10 meetings
Jayne Woods	First term, 4 September 2023 to 3 September 2027*	10 out of 10 meetings

* Original term ending 3 September 2026 has been extended by the Welsh Government for one year.

Associate members¹

Name	Board Term of Office	Board Meeting Attendance
Dan Beard (representing the non-academic tertiary education workforce)	First term, 1 September 2024 to 31 August 2028	6 of 10 meetings
Estelle Hart (representing the academic tertiary education workforce)	First term, 1 September 2024 to 31 August 2028	6 of 10 meetings
Deio Owen (representing learners in tertiary education)	First term, 1 September 2024 to 31 August 2028	8 of 10 meetings
Orla Killian-Jones (representing our workforce)	First term, 9 September 2024 to 8 September 2027	6 of 10 meetings

Our staff attend Board meetings, as relevant to the agenda, but there are no observers.

Medr held a mixture of online and in-person meetings during the reporting period. One of our in-person meetings was at Cardiff and Vale College, enabling Board members to meet staff and learners at a tertiary education provider in Wales.

¹ TERA sets out the role of associate Board members

During the reporting period our Board met ten times and discussed a range of matters including:

- Approving the new [regulatory framework](#) for tertiary education in Wales.
- Budget discussions informed by the Welsh Government's budget and [funding allocations](#) to providers for the 2026/27 academic year.
- Investment principles to inform future allocations of funding.
- Updates on risks to providers and the sector including updates on [financial sustainability](#).
- Medr's [Annual Report and Accounts 2024-25](#).
- Proposals for a new [apprenticeship programme](#) in Wales.
- Promoting the use of the Welsh language in Medr.
- [Advice from the Coleg Cymraeg Cenedlaethol](#) in its designated role to provide advice to Medr regarding our duties to encourage demand for, and participation in, Welsh tertiary education.
- [Higher education subject mapping](#).
- Preparations for a new Welsh Government.
- The Welsh Government's call for evidence into tertiary education and research.
- Quarterly reporting on progress against the delivery of Medr's Strategic Plan, Medr's corporate risk register, sector risks and financial monitoring of programme and operating costs.

Updates from the Chief Executive and Committee Chairs were provided at each in-person meeting along with minutes of Committee meetings where relevant.

The Board has also received regular briefing on policy areas to inform future Board meetings, to educate a new Board on Medr's broad tertiary remit and current policy priorities in Wales.

The Board also met on 2 June 2025 to approve a recommendation from a selection panel of Medr Board members for the appointment of the Chief Executive. This appointment was then submitted to Welsh Ministers for approval, which was received on 5 June 2025.

Our Board is supported through advice from four advisory committees and a task and finish group.

Audit and Risk Assurance Committee (ARAC)

Medr Board Members of ARAC

Name	Board Term of Office	Committee Meeting Attendance
Jayne Woods (Chair)	First term, 4 September 2023 to 3 September 2027*	6 of 6 meetings
Jeff Greenidge (Deputy Chair)	First term, 1 September 2024 to 31 August 2027	5 of 6 meetings
Rob Humphreys	First term, 1 August 2024 to 31 March 2027	5 of 6 meetings

* Original term ending 3 September 2026 has been extended by the Welsh Government for one year.

Independent Members of ARAC*

Name	Committee Term of Office	Committee Meeting Attendance
Andrew Lewis	First term, 13 May 2024 to 12 May 2027	6 of 6 meetings
Martin Lewis	First term, 13 May 2024 to 12 May 2027	5 of 6 meetings

* Our independent ARAC members were also previously independent members of HEFCW's ARAC to support the transition of duties from HEFCW to Medr.

Medr staff attend the Committee, as relevant to the agenda, and both internal and external auditors observe the meetings.

The [role of our ARAC](#) is to review the comprehensiveness and reliability of assurance on governance, risk management, the control environment, and the integrity of the financial statements and the Annual Accounts. Our ARAC also oversees our external provider assurance work. During the reporting period the Committee met six times.

In this context, ARAC during the reporting period has considered:

- Risks to institutions in Wales, with a particular focus on financial sustainability and financial management risks.
- Learning for Medr from the independent investigation by Professor Pamela Gillies for the Scottish Funding Council into the circumstances that led to the financial challenges facing the University of Dundee.
- Draft conditions for the new regulatory framework and Medr's powers for intervention.
- Reporting on Medr's responsibilities for monitoring relevant higher education providers compliance with the [Prevent duty](#).
- Internal and external audit arrangements including plans for the period 1 April 2025 to 31 March 2026.
- Oversight of Medr's first Annual Report and Accounts 2024-25, before their approval by the Board.
- Business continuity in Medr.
- Discussed corporate risk as standing item with deep dives into risks around data collection, IT security and the new apprenticeship programme.
- At each of its meetings, the Committee received an update from the Chair on key matters discussed by the Medr Board at its most recent meeting. The Committee also received at each meeting an update from the Chief Executive on broader tertiary education developments within Wales.

People and Culture Committee

Medr Board members of the People and Culture Committee

Name	Board Term of Office	Committee Meeting Attendance
Dr Gwenllian Lansdown Davies (Chair)	First term, 4 September 2023 to 03 September 2027*	4 out of 4 meetings
Professor Aaqil Ahmed	First term, 1 August 2024 to 31 July 2027	4 out of 4 meetings
Cerys Furlong	First term, 4 September 2023 to 3 September 2027*	3 out of 4 meetings
Professor Dame Julie Lydon	First term, 16 January 2023 to 15 January 2028	4 out of 4 meetings
Simon Pirotte (until 31 July 2025)	In line with term as Chief Executive	0 out of 2 meetings
James Owen (from 1 August 2025)	In line with term as Chief Executive	2 out of 2 meetings
Orla Killian-Jones	First term. 9 September 2024 to 8 September 2027	2 out of 4 meetings **

* Original term ending 3 September 2026 has been extended by the Welsh Government for one year.

**Another elected member of Medr’s PCS Branch deputised for Orla Killian-Jones at one meeting.

Independent members of People and Culture Committee

Name	Board Term of Office	Committee Meeting Attendance
Nadine Beaton	First term, 1 November 2025 to 31 October 2028	1 out of 1 meeting
Bethan Reed	First term, 1 November 2025 to 31 October 2028	0 out of 1 meeting

The [role of our People and Culture Committee](#) is to oversee the strategy relating to people and organisational development, wellbeing, equality and diversity within Medr. During the reporting period the Committee met four times.

In this context, the People and Culture Committee, during the reporting period, has discussed:

- Medr's People and Culture Strategy.
- Welsh language standards.
- Recruitment activity and recruitment plans in the context of capacity risks.
- Consultation on Medr's structure.
- Staff and applicant equality data.
- Data and management information requirements.
- Outcomes of Medr's people survey.
- Medr staff pay remit.

Minutes of Medr's internal Social Partnership Forum are shared with the Committee for information as a standing agenda item, along with an update from the Chair and senior members of the Medr executive.

Quality Committee

Medr Board members of Quality Committee

Name	Board Term of Office	Committee meeting attendance
Stephen Marston (Chair)	First term, 4 September 2023 to 3 September 2027*	5 out of 5 meetings
Cerys Furlong	First term, 4 September 2023 to 3 September 2027*	5 out of 5 meetings
Professor Chris Millward	First term, 4 September 2023 to 3 September 2027*	3 out of 5 meetings

* Original term ending 3 September 2026 has been extended by the Welsh Government for one year.

Independent members of Quality Committee

Name	Committee Term of Office	Committee meeting attendance
Dr Lowri Brown	13 October 2025 to 12 October 2028	1 out of 2 meetings
Professor Janice Kay	8 May 2024 to 7 May 2027	2 out of 5 meetings
Professor Clare Milsom	8 May 2024 to 7 May 2027	4 out of 5 meetings
Deio Owen	1 July 2024 to 30 June 2026, in line with term as President of NUS Wales	4 out of 5 meetings*
Bill Peaper	2 December 2024 to 1 December 2027	4 out of 5 meetings
Karen Phillips	13 May 2024 to 12 May 2027	4 out of 5 meetings
Professor Ian Robinson**	8 May 2024 to 7 May 2027	5 out of 5 meetings
Andrew Thomas	8 May 2024 to 30 September 2025	1 out of 3 meetings

* Ellie Mayo-Ward, a member of the NUS executive, deputised for Deio Owen for one meeting to ensure learner representative informed considerations by the Committee.

** Professor Ian Robinson was previously an independent member of HEFCW's Quality Committee to support the transition of duties from HEFCW to Medr.

The Quality Committee is also attended by Medr staff, as relevant to the agenda, and observers from partner organisations, including Estyn, the Quality Assurance Agency and the Welsh Government. During the reporting period the Committee met five times.

The [role of our Quality Committee](#) is to advise our Board on the quality of all tertiary education funded or otherwise secured by Medr and on Medr's strategic duties as they relate to quality, in particular equality of opportunity, including participation, retention, and attainment of students from under-represented groups; and promoting tertiary education through the medium of Welsh.

In this context, the Quality Committee, during the reporting period, has advised on:

- Medr's relationship with Estyn including Estyn's annual report.
- Medr's relationship with the Quality Assurance Agency for Higher Education (QAA) including Medr's remit letter to the QAA for 2025/26.
- The development of the new regulatory system in Wales.
- A quality framework for tertiary education and the associated quality and continuous

improvement condition of regulation, along with the approach to implementing the framework.

- Quality issues at providers is a standing item on the agenda with a focus on external quality reviews or inspections, where relevant.
- Learner protection plans and how they would be utilised in the new regulatory system.
- Learner engagement across tertiary education including the development of the Learner Engagement Code.
- An update from NUS Wales is a standing item on the agenda, to ensure that learner voice informs the Committee's work.
- Developments for a learner voice survey across tertiary education in Wales and embedding the learner voice in Medr's work.
- Outcomes of the National Student Survey in higher education and relevant engagement by Medr in response.
- Identifying priorities for continuous improvement in Welsh tertiary education.
- The development of performance measures for tertiary education and associated data dashboards to inform the Committee's work.
- Professional learning and leadership in tertiary education.
- Medr Corporate Risks and operational plan tasks that relate to the Quality Committee's remit.

Research and Innovation Committee

Medr Board members of the Research and Innovation Committee

Name	Board Term of Office	Committee meeting attendance
Professor David Sweeney (Chair)	First term, 16 January 2023 to 15 January 2028	4 out of 4 meetings
James Davies	First term, 1 April 2024 to 31 March 2027	4 out of 4 meetings
Jeff Greenidge	First term, 1 September 2024 to 31 August 2027	4 out of 4 meetings

Independent members of the Research and Innovation Committee

Name	Committee Term of Office	Committee Meeting Attendance
Professor Rick Delbridge	Second term. 23 March 2026 to 22 March 2029	3 out of 4 meetings
Professor Paul Boyle*	Ex-officio – Chair of the Universities Wales Research and Innovation Network	3 out of 4 meetings
Professor Emrys Evans	First term. 9 January 2023 to 8 January 2026	2 out of 3 meetings
Professor Helen Fulton	First term. 11 June 2025 to 10 June 2028	3 out of 4 meetings
Dr David Lewis	First term. 26 July 2023 to 25 July 2026	2 out of 4 meetings
Amanda Roberts-Jones	First term. 11 June 2025 to 10 June 2028	3 out of 4 meetings
Professor Paul Spencer	Second term. 23 March 2026 to 22 March 2029	4 out of 4 meetings
Yana Williams	Nomination from Colegau Cymru	0 out of 4 meetings
Vacant – Member from other bodies involved in undertaking research and innovation in Wales	n/a	n/a

* Professor Roger Whittaker is deputy for ex-officio Committee Member, Professor Paul Boyle, and deputised for him at one meeting.

Some members of the Research and Innovation Committee were previously members of HEFCW's Research Wales Committee. These members' first terms of office in HEFCW have been treated as first terms for Medr.

The Research and Innovation Committee is also attended by Medr staff, as relevant to the agenda, and observers from Welsh and UK Government, as well as partner and representative organisations, including UK Research and Innovation (UKRI) and the Learned Society of Wales. During the reporting period the Committee met four times.

The [role of our Research and Innovation Committee](#) is to advise our Board on matters relating to research and innovation in Welsh tertiary education providers, in line with Medr's legislative duties and its Strategic Plan, while recognising the UK and global context in which our universities operate. This includes advice related to policy development; the continuous improvement of the quality of research and innovation in Wales; the operation, impact and influence of the Research Excellence Framework; and promoting and sustaining healthy and prosperous research cultures and environments.

In this context, the following was discussed during the reporting period:

- The Research Excellence Framework including:
 - Arrangements for the next Research Excellence Framework exercise in 2029.
 - Proposed process for approving institutional Codes of Practice.
 - Advisory and assessment panel recruitment.
 - Contribution to Knowledge and Understanding policy guidance.
 - People, Culture and Environment pilot and indicators.
- Implications of Artificial Intelligence for research, innovation and engagement.
- Implications of UK Government comprehensive spending review and Industrial Strategy for research and innovation in Wales.
- Future priorities for research, innovation and engagement in a tertiary context.
- Indicators for research, innovation and engagement in line with future legislative requirements.
- Outcomes of the monitoring of funding, including Research Wales Innovation Fund, Wales Research Environment and Culture fund and Higher Education Research Capital fund.
- Welsh universities' engagement with Horizon Europe and future opportunities with the upcoming Framework Programme 10.
- The impact of the new regulatory framework and terms of grant on research and innovation.

Staff Member Appointment Committee

The Tertiary Education and Research (Wales) Act 2022 requires Medr to have a staff member appointment committee composed of the Chair and the ordinary Board members. The role of this Committee is solely to appoint an associate Medr Board member representing Medr staff. The Associate Medr Board member has to be employed by Medr and be a member of PCS, our recognised trade union.

The Committee has not had any reason to meet in the reporting period.

Regulation Task and Finish Group

Medr has also formed a small task and finish group to support it with the development of the new regulatory system in Wales. This is not a formal committee but has been crucial to the governance oversight of this significant piece of work, enabling the Board to approve the regulatory framework at its March Board meeting.

The group is Chaired by Professor Chris Millward and he has been joined on the group by another Board member Jayne Woods (the Chair of our ARAC) with additional support from Stephen Marston (the Chair of our Quality Committee). These Board members ensure alignment with the current regulatory oversight undertaken by the ARAC and the Quality Committee. Independent external support has been provided to the group from Amanda Hughes, Professor Helen O'Sullivan and Jack Smith.

The task and finish group met for the final time on 27 February 2026, where it scrutinised a draft consultation outcomes report, the revised regulatory documents and integrated impact assessment of the regulatory framework. Steers from the group informed consideration of the finalised regulatory framework by a sub-group of the Board that provided recommendations to the Board for its consideration on 19 March 2026. These recommendations were subsequently accepted, and the Board approved the new regulatory framework on 19 March 2026.

Legislative Powers

The Tertiary Education and Research (Wales) Act 2022 (the 2022 Act) gained royal assent on 8 September 2022. The 2022 Act provides Medr powers to fund and regulate tertiary education providers in Wales, to deliver our strategic priorities. Only some of the 2022 Act was in force during the reporting period, with Medr funding and the regulation of tertiary education through powers previously used by HEFCW and the Welsh Government. The Welsh Government's plans for implementation of the 2022 Act are not intended to take full effect until 2027/28 so transition arrangements will continue as the 2022 Act is periodically commenced. Powers inherited from HEFCW to fund and regulate higher education were enabled through transitory provisions that enabled modifications to existing legislation. During the reporting period Medr has been enabled to fund other parts of the tertiary education sector through an agency agreement under section 83 of the Government of Wales Act 2006.

Funding tertiary education providers

One of Medr's key functions is the allocation of funding to relevant tertiary education providers in Wales. Our funding allocations are informed by historical and forecast data and with agreed methodologies.

During the reporting period, Medr published its funding assumptions for the 2026/27 academic year based on the Welsh Government's draft budget. Our assumptions informed Senedd

scrutiny of both the Welsh Government draft budget and Medr's plans for allocations. Our Board discussed the final budget allocation process at its meeting on 19 March 2026 following the Senedd's approval of the Welsh Government's final budget. A [funding letter](#) from Welsh Ministers was sent to our Chair on 26 March 2026.

Since the reporting period, we have published provider allocations for 2026/27, and we will be sending funding letters to recipients of our funding. This is the same process for the allocation of funding to providers as in the reporting period for 2025/26. These funding letters set out our requirements for the use of funding, in line with our conditions of funding. We monitor data and require providers to notify us of internal audits with limited assurance assessments as part of our checks to be assured that funding has been used in line with purposes it has been allocated.

An internal budget group scrutinises the management of our budget and allocations.

Providing data and analysis insights

Medr is listed as a producer of [official statistics](#) through the [Official Statistics \(Wales\) \(Amendment\) Order 2024](#). The [Code of Practice for Statistics](#) sets the standards that producers of official statistics should commit to. Our official statistics comply with the three pillars of the Code – trustworthiness, quality and value – and we have published a [statement of compliance](#) with the Code of Practice. In March 2026 the Office for Statistics Regulation (OSR) published its [assessment](#) of the statistics on higher education, further education, apprenticeships and adult community learning produced by Medr. Its assessment set out that Medr had established a strong foundation as a new official statistics producer and identified many areas of good practice. Seven requirements were identified to strengthen the statistics we produce and when the OSR has confirmed that these requirements have been met the relevant statistics we produce can be designated as accredited official statistics.

The Welsh Government continued to be the data controller and point of collection for the Lifelong Learning Wales Record (LLWR) and Post-16 Data Collection. During the reporting period Medr worked closely with Welsh Government to enable Medr to become the data controllers for the LLWR and post-data collection on 1 April 2026. Risks associated with this were discussed with the Audit and Risk Assurance Committee (ARAC). Higher education data is collected on Medr's behalf by the Higher Education Statistics Agency (HESA). HESA and Medr are data controllers in common for the data.

Medr works closely with Welsh Government officials, HESA, providers and other UK funders and regulators to ensure that the data collected is validated, accurate and timely.

Medr carries out a range of functions using this data including calculating and monitoring funding allocations, informing and evaluating policy, and producing official statistics.

Our Board has reviewed data on the range of tertiary education in Wales and the related financial information. During the reporting period, we worked with our Quality Committee to develop provider performance measures for consultation during the next reporting period. This will support ongoing improvement in tertiary education in Wales and help Medr assess provider performance.

Risk Management

Medr has been managing risk in line with a policy approved by our Board in March 2025. This policy is based on the HM Treasury's Orange Book. As part of the approval of the risk management policy, our Board approved our risk appetite based on different categories of risk. During the reporting period we have not reviewed our policy or our risk appetite.

Corporate risks are routinely discussed with our ARAC and Board and largely reflect our position as a new organisation and the transition to new arrangements for the funding and regulation of tertiary education and research in Wales. Our ARAC, during the reporting period, looked at some areas of risk in more detail, including information security, business continuity and risks to Medr associated with the new apprenticeship programme in Wales.

Our risk register also reflects the challenges of developing a culture in a new organisation and our capacity risks. As a result, our People and Culture Committee has discussed risk and the Chairs of our ARAC and People and Culture Committee have discussed our people related risks to be assured that appropriate controls are being put in place to mitigate those risks.

We have agreed that avoidance of risk and uncertainty is the key objective around cyber security. As a cloud-based organisation we follow National Cyber Security Centre guidance and other best practice. We achieved Cyber Essentials recertification in January 2026 and Cyber Essentials Plus recertification in March 2026.

Our ARAC and Board have also routinely discussed risks in the tertiary education sector, primarily relating to financial health. While these reflect risks to providers, we have reflected how challenges to providers could reflect risks to us. Controls to our processes have continued to be strengthened following these discussions. We have also discussed some specific related risks to Medr with our Quality Committee.

As part of our internal audit plan for the reporting period our internal auditors undertook an audit of our risk management policy and concluded that reasonable assurance could be taken from the implementation of the policy, identifying actions to improve our policy.

Freedom of Information

In the reporting period we have received 18 Freedom of Information (FoI) requests. Medr responded to each of the requests within the 20 working days deadline required by the FoI Act. In ten cases, Medr held the requested information and disclosed it in full. Information held for three of the 18 FoI requests received was partially released, and one follow-up request was refused. In the other four cases, the information was either not held by Medr, or the request was not directly applicable to Medr; however, in each instance, appropriate advice and clarification of Medr's responsibilities were provided.

Whistleblowing

Medr has a whistleblowing policy and supporting procedures in place. The policy and the procedures are in place to provide guidance to a member of staff of Medr or any contractor, supplier, temporary member of staff or secondee, to report any concerns, either within the workplace, or externally, about a danger, risk, malpractice or wrongdoing which affects others. The policy and procedures are available to all staff on the intranet. They also form part of our Code of Conduct which all staff are required to adhere to. There have been no whistleblowing matters reported during the period covered by this Report.

Welsh language standards

Medr became subject to Welsh language standards on 4 March 2026, and we will report on our compliance against standards during the next reporting period, in line with guidance from the Welsh Language Commissioner.

Governance effectiveness

ARAC, the Quality Committee and the Research and Innovation Committee reviewed their effectiveness using different approaches and the Board Chair held one to one appraisals with each Board and associate Board member. The feedback from these exercises will feed into a comprehensive review of Board and Committee effectiveness during 2026-27.

An initial review of compliance with the [Framework Document](#), that is underpinned by the UK Corporate Governance Code, was undertaken and presented to the ARAC in May 2026 as part of the scrutiny of the Annual Report and Accounts ahead of submission to Audit Wales. We identified no gaps in our existing processes and procedures to indicate that we will not be able to demonstrate that we are addressing all the key requirements in the Framework Document.

There were no departures from the Framework Document.

Internal Controls

We operate a system of internal controls which is designed to: identify and prioritise the risks to the achievement of our policies and strategic objectives; evaluate the likelihood of those risks being realised and the impact should they be realised; and manage them effectively. This includes controls and assurance arrangements in relation to organisations in receipt of our funding and that we regulate.

The oversight of funding allocated to tertiary education providers is based on processes inherited from HEFCW and the Welsh Government but have been enhanced over the reporting period with revisions to terms and conditions of funding for further education provision for 2025/26. These arrangements include data and compliance returns by providers, these are in the context of terms and conditions of funding, primarily for oversight of non-higher education provision and regulatory arrangements in place for higher education provision. These processes will evolve further with the introduction of the new regulatory framework for tertiary education that comes into effect on 1 August 2026.

Our ARAC scrutinised progress against our Counter Fraud policy and the related risk register at its meeting in July 2025. Governance and controls of payments were tested in early 2025-26 by internal audit during their programme of work, resulting in a substantial assurance assessment.

Internal audit

Medr's Internal Audit Service is covered by a service level agreement with the Welsh Government's Internal Audit Service. Internal audit leads attend each ARAC and have access to all papers. Internal Audit provides assurance on governance, risk management and internal control within Medr. This assurance is provided by the Lead Internal Auditor to the Accounting Officer and, through ARAC, to the Board.

The following audits were planned for 2025-26 and they were all completed by May 2026, recognising the delay in commencing the planned activity and resource challenges during the reporting period:

- Business continuity.
- Funding arrangements with providers.
- Health and safety.
- Information management.
- New regulatory system.
- Risk management.

The Head of Internal Audit's Annual Report and Opinion for 2025-26 was that the management can take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. This was formally noted by ARAC on 26 May 2026.

External Audit

Audit Wales is our external auditor and attend each of our ARAC meetings and have access to the papers. Audit Wales issues an audit report and presents its findings to ARAC.

Reporting to the Welsh Government

We meet regularly with officials in the Welsh Government; our primary relationship is through our Partnership Team but our contact with the Welsh Government spans multiple directorates. Our engagement with the Welsh Government is guided by a [Framework Document](#) and a complementary ways of working document. The then Minister for Further and Higher Education had quarterly meetings with the Chair and the Chief Executive. These meetings have focused on the delivery of our Strategic Plan, risks to Medr and risks to both tertiary education providers and the tertiary education sector.

Conclusion

As the Accounting Officer for Medr, I have reviewed the evidence and can confirm that the statements made in this report are correct for the period 1 April 2025 to 31 March 2026. There have been no significant internal control or governance issues. I can also confirm that sound systems of internal control are in place to help meet the organisation's strategic aims and commitments.

James Owen

Chief Executive

25 September 2026

Statement of Accounting Officer's Responsibilities

Under paragraph 15 of schedule 1 of the Tertiary Education and Research (Wales) Act 2022, Welsh Ministers, with the consent of the Treasury, have directed Medr to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Medr and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by Welsh Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the accounts;
- prepare the accounts on the going concern basis;
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Principal Accounting Officer for the Welsh Ministers has designated the Chief Executive as Accounting Officer of Medr. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Medr's assets, are set out in the Accounting Officers' Memorandum published by the Welsh Government.

Accounting Officer's Statement

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Medr's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

James Owen, Chief Executive
25 September 2026

Remuneration and Staff Report

Only those sections in this report marked * are subject to audit.

Directors' remuneration policy and People and Culture Committee

The remuneration of the Chair and the Board Members was set by the Welsh Government and was governed by the Welsh Government's Scheme for Remunerating Chairs and Members of Welsh Government Sponsored Bodies and NHS Bodies, introduced on 1 April 2004.

In accordance with the Tertiary Education and Research (Wales) Act 2022, Welsh Ministers appointed Medr's first Chief Executive and set their remuneration. The set remuneration is not subject to performance-related awards nor pension contributions. The current Chief Executive was appointed by the Board, who also set their remuneration.

Remuneration was set in accordance with our approved pay and grading system. This applied to all staff appointments. Our overall levels of remuneration and annual pay remit, which apply to all staff including the Chief Operating Officer and Directors, were approved by the Welsh Government.

Medr became operational on 1 August 2024. Employees from the Higher Education Funding Council for Wales (HEFCW) and those in scope from the Welsh Government transferred over to Medr on 1 August 2024 and received confirmation letters of this change under Cabinet Office Statement of Practice on Staff Transfers in the Public Sector (COSoP). While it was believed that the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) did not apply legally to this transfer, it was agreed by all parties, as per COSoP that the principles of TUPE should be followed to ensure that those members of staff transferring are afforded the same employment protections and are treated no less favourably than had the TUPE Regulations applied.

Our Pay Remit is approved by the Welsh Government, and prior to submission is subject to agreement by our People and Culture Committee and our Board. For 2025-26 our People and Culture Committee and Board approved our pay remit submission in October 2025. The approved application was submitted to the Welsh Government later that month and approved by Ministers.

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of Board members and senior management.

Board members and senior employees single total figure of remuneration*

Board members (including Chief Executive)

Name	Position	2025-26 Salary £'000	2025-26 pension benefits £'000	2025-26 Total £'000	2024-25 Salary £'000 (Re-stated see c below)	2024-25 pension benefits £'000	2024-25 Total £'000 (Re-stated see c below)
Professor Dame Julie Lydon	Chair	20-25	0	20-25	10-15	0	10-15
Professor David Sweeney	Deputy Chair	0-5	0	0-5	0-5	0	0-5
Simon Pirotte (a)	Chief Executive (to 31 July 2025)	65-70	0	65-70	130-135	0	130-135
James Owen (b)	Chief Executive (from 1 August 2025)	130-135	138	270-275	75-80	123	200-205
Professor Aaqil Ahmed	Board member	5-10	0	5-10	0-5	0	0-5
Cerys Furlong	Board member	10-15	0	10-15	5-10	0	5-10
Jeff Greenidge	Board member	10-15	0	10-15	5-10	0	5-10
Rob Humphreys	Board member	10-15	0	10-15	5-10	0	5-10
Dr Gwenllian Lansdown-Davies	Board member	5-10	0	5-10	5-10	0	5-10
Stephen Marston	Board member	5-10	0	5-10	5-10	0	5-10
Professor Chris Millward	Board member	5-10	0	5-10	5-10	0	5-10
Jayne Woods	Board member	10-15	0	10-15	5-10	0	5-10
James Davies	Board member	0-5	0	0-5	0-5	0	0-5

- (a) Simon Pirotte's comparable full time equivalent salary is £195,000-£200,000pa.
- (b) James Owen's comparable full time equivalent salary is £140,000-£145,000pa. Figures in the table above also include figures from 1 April 2025 to 31 July 2025 when James Owen was Chief Operating Officer. Actual salary as Chief Operating Officer was £40,000-£45,000 and as Chief Executive was £90,000-£95,000.
- (c) The remuneration totals given are based on an accruals basis using timesheets submitted rather than PAYE payments made. In 2024-25, PAYE payments were used, therefore we have restated 2024-25 figures, resulting in changes in bands for Dame Julie Lydon, Cerys Furlong, and Jeff Greenidge.

Senior employees (excluding Chief Executive)

Name	Position	2025-26 Salary £'000	2025-26 pension £'000 benefits £'000	2025-26 Total £'000	2025-26 FTE salary £'000	2024-25 Salary £'000	2024-25 pension £'000 benefits £'000 (Re- stated see d below)	2024-25 Total £'000 (Re- stated see d below)	2024-25 FTE salary £'000
Francesca Hill	Chief Operating Officer (from 1 December 2025)	30-35	7	40-45	100-105	N/A	N/A	N/A	N/A
Bethan Evans	Executive Director Regulation and Analysis (from 24 February 2026)	5-10	5	15-20	100-105	N/A	N/A	N/A	N/A
Bethan Owen (b)	Executive Director Regulation and Funding (to 7 Feb 2025)	N/A	N/A	N/A	N/A	65-70	49	115-120	110-115
Rhian Edwards	Executive Director Policy and Investment	100-105	39	140-145	100-105	65-70	26	90-95	100-105
Giles Cutler (d)	Chief Financial Officer (from 1 December 2024)	85-90	68	155-160	85-90	25-30	61	85-90	80-85
Harriet Barnes	Director of Research, Innovation and Skills	85-90	33	125-130	85-90	55-60	22	75-80	80-85
Kieron Rees (c)	Director of Learner Experience (from 16 Dec 2024)	85-90	10	95-100	85-90	20-25	-	-	80-85
Geoff Hicks	Director of Development, Investment and Performance	80-85	26	110-115	80-85	50-55	20	70-75	75-80
Dr Ewen Brierley (d)	Director of Regulation	85-90	16	110-115	85-90	55-60	17	70-75	80-85
Sioned Cardew-Richardson	Director of Statistics and Analysis (from 7 April 2025)	60-65	16	80-85	75-80	N/A	N/A	N/A	N/A

Senior employees are defined as those who are part of the Senior Leadership Team.

- (a) There were no benefits in kind or bonus payments in 2025-26. The figures given are from 1 April 2025 to 31 March 2026, unless otherwise stated. Full time equivalent salary figures for senior staff members are stated in the table above.
- (b) Bethan Owen retired from Medr on 7 February 2025, her full time equivalent salary is £110,000-£115,000, comprising salary of £105,000-£110,000 and a pensionable allowance of £0-£5,000.
- (c) Kieron Rees has opted for a partnership pension account (an occupational defined contribution pension arrangement) which is part of the Legal & General Master trust. Contributions were made totalling £9,984 until 31 March 2026.
- (d) Pension benefits for Giles Cutler and Dr Ewen Brierley have been restated for 2024-25. Prior year figures (Giles Cutler – £11k and Ewen Brierley – £35K) have been corrected by the Civil Service Pension Scheme in this financial year 2025-26's calculation due to incorrect valuations being provided last year. Revaluations were undertaken due to the transfer of administration of the fund to Capita. Prior year figures (Giles Cutler – £35-40k and Ewen Brierley – £90-95K) for the total single total figure of remuneration have also been updated as a result.

Senior employees' pensions

Name	Position	Accrued pension at pension age at 31/03/26 £'000	Real increase in pension and related lump sum at pension age £'000	Cash equivalent transfer value at 31/03/2026 £'000	Cash equivalent transfer value at 31/03/2025 £'000 (Restated – see (b) below)	Real increase in cash equivalent transfer value £'000
James Owen	Chief Executive Officer from 1 August 2025	55-60	5-7.5	971	811	109
Francesca Hill	Chief Operating Officer (from 1 December 2025)	15-20	0-2.5	220	212(a)	2
Bethan Evans	Executive Director Regulation and Analysis (from 24 February 2026)	0-5	0-2.5	4	0	3
Bethan Owen	Executive Director Regulation and Funding (to 7 Feb 2025)	N/A	N/A	N/A	1301	N/A
Rhian Edwards	Executive Director Policy and Investment	10-15	0-2.5	140	107	22
Giles Cutler	Chief Financial Officer (from 1 December 2024)	30-35	2.5-5	564	483(b)	51
Harriet Barnes	Director of Research, Innovation and Skills	5-10	0-2.5	116	88	18
Kieron Rees	Director of Learner Experience (from 16 Dec 2024)	See (c) above	See (c) above	See (c) above	See (c) above	See (c) above
Geoff Hicks	Director of Development, Investment and Performance	30-35	0-2.5	545	499	15
Dr Ewen Brierley	Director of Regulation	30-35	0-2.5	673	628(b)	7
Sioned Cardew-Richardson	Director of Statistics and Analysis (from 7 April 2025)	20-25	0-2.5	398	369	6

(a) The table includes a Cash Equivalent Transfer Value for Francesca Hill at 31/03/2025 despite not starting in post until 01/12/2025. Francesca Hill continued in her existing Civil Service Pension on joining Medr so had a CETV at 31/03/2025.

(b) The Cash Equivalent Transfer Value for Giles Cutler and Dr Ewen Brierley have been restated at 31/03/2025. Prior year figures (Giles Cutler – £419k and Ewen Brierley – £796K) have been corrected by the Civil Service Pension Scheme in this financial year 2025-26's calculation due to incorrect valuations being provided last year. Revaluations were undertaken due to the transfer of administration of the fund to Capita.

Salary and pension disclosures

The former Chief Executive (Simon Pirotte, Chief Executive until 31 July 2025) was appointed by the Welsh Ministers on a fixed term appointment. On 5 June 2025 Medr announced that it had appointed James Owen, previously Medr's Chief Operating Officer, as its new Chief Executive from 1 August 2025. The Chief executive was appointed for an initial 5-year term. All Directors have permanent contracts, requiring a notice period of three months. Other than the possibility of payment in lieu of notices, there are no explicit contractual provisions for compensation for early termination. The former Chief Executive opted out of the Principal Civil Service Pension Scheme. Medr did not make any employer pension contributions to the former Chief Executive's pension.

The Chair and Board members are not members of the Principal Civil Service Pension Scheme and do not receive any pension benefits paid for by Medr.

All salaries/remuneration stated are gross salaries/remuneration only as none of the Board members or senior staff received any other remuneration or benefits in kind, other than as disclosed.

Pensions

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), which is divided into different sections – **classic**, **premium**, and **classic plus** provide benefits on a final salary basis, while **nuvos** provides benefits on a career average basis. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The PCSPS and **alpha** are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the **partnership** pension account.

In **alpha**, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to **alpha** from the PCSPS had their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**.

The accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal pension age is 60 for members of **classic**, **premium**, and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. The pension figures in this report show pension earned in PCSPS or **alpha** – as appropriate. Where a member has benefits in both the PCSPS and **alpha**, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to **alpha**. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members (the “McCloud judgment”).

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The Public Service Pensions Remedy is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of **alpha** from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023.

The accrued pension benefits, Cash Equivalent Transfer Value and single total figure of remuneration reported for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the PCSPS for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the PCSPS for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer’s basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Broadly by analogy (BBA) pensions

A BBA pension arrangement entitles the recipient to benefits that are similar to those provided by the PCSPS classic scheme described above. Medr is responsible for funding pension benefits. The former Chair of HEFCW Council, Professor Sir Roger Williams holds a BBA pension.

Fair Pay disclosures*

	Full-time equivalent as at 31 March 2026 £	Full-time equivalent as at 31 March 2025 £
Band of highest paid member of staff (total remuneration)	140,000-145,000	195,000-200,000
Median total remuneration	53,191	50,018
Ratio	2.68:1	3.9:1
25th Percentile	41,745	38,030
Ratio	3.41:1	5.2:1
75th Percentile	57,083	55,019
Ratio	2.50:1	3.6:1

Percentiles and ratios are calculated excluding the highest paid director. Reporting bodies are required to disclose the relationship between the remuneration of the highest paid senior employee in their organisation and the median, 25th and 75th percentile full time equivalent remuneration of the organisation's staff. Full time equivalent as at 31 March 2026 remuneration ranged from £27,316 to £145,000. Full-time equivalent as at 31 March 2025 remuneration ranged from £24,423 to £198,000

During the year to 31 March 2026, all staff excluding the former Chief Executive received a 3.75% pay award. The current Chief Executive did not receive a pay award in his role as Chief Executive but did receive a pro-rata pay award for the four months from April to July when he was the Chief Operating Officer. Some staff also received annual increments, excluding former and current Chief Executives.

The Chief Executive is Medr's highest paid Director. A percentage change from the previous financial year has not been disclosed due to the change in Chief Executive. As disclosed above the current Chief Executive receives a lower salary than the former Chief Executive, reflecting that for the former Medr did not make pension contributions.

The average percentage change in salaries and allowances in respect of all employees of Medr from the previous financial year was 1.97%. This average does not reflect that all staff received a 3.75% pay award and is a result of Medr being a growing organisation with an increasing FTE throughout the year, impacting the required calculation.

Staff report

Staff numbers by category

	As at 31 March 2026 (Number)	As at 31 March 2025 (Number)
Senior Management	10	8
Policy	65	47
Regulation, Statistics, and Corporate Services	60	58
Total Staff	135	113

	As at 31 March 2026 (Number)	As at 31 March 2025 (Number)
Staff with a permanent UK employment contract with us**	129	106
Other staff engaged on our objectives***	6	7
Total Staff	135	113

** Includes the Chief Executive as fixed term appointment lasting more than 12 months.

*** As at 31 March 2026, six members of staff are on inward secondment. Their respective employer remains responsible for paying their salary. Medr reimburses the employer for the full employment costs.

Staff numbers by gender

	As at 31 March 2026 (Number)	As at 31 March 2025 (Number)
Male:		
Directors	5	6
Staff	48	37
Female:		
Directors	5	2
Staff	75	66
Total	133	111

There is no clear guidance on how non-binary or trans employees are included in the gender pay gap calculations. This will be something that we continue to monitor to ensure we report under best practice arrangements. At present, the options are to either exclude non-binary or trans employees from the calculations, or to record them based on the information supplied to HM Revenue & Customs (HMRC) and right to work details such as passport information. For Medr, the decision has been taken to exclude any employees who do not identify as either male or female, until such time that clear guidance is provided or the gender pay gap reporting takes in to account different genders.

Staff costs

	12 months to 31 March 2026			8 months to 31 March 2025		
	Staff £'000	Board Incl. Chief Executive £'000	Total £'000	Staff £'000	Board Incl. Chief Executive £'000	Total £'000
Wages and salaries	6,079	259	6,338	3,295	195	3,490
Social security costs**	839	35	874	379	23	402
Other pension costs	1,751	27	1,778	945	2	947
Total direct staff costs	8,669	321	8,990	4,619	220	4,839

Secondment costs into Medr	420	0	420	595	0	595
Fee paid officers (on-payroll)	120	0	120	22	0	22
Total payroll costs	9,209	321	9,530	5,236	220	5,456

** Includes amounts payable for the Apprenticeship Levy.

- Our employer's contributions of £1.751m were payable in total to the PCSPS and CSOPS at one single rate of 28.97%.
- The PCSPS and the CSOPS – known as "Alpha" – are unfunded multi-employer defined benefit schemes, but Medr is unable to identify its share of the underlying assets and liabilities. The

Scheme Actuary valued the scheme as at 31 March 2020. Details can be found on gov.uk.

- The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during the period to be paid when the member retires and not the benefits paid during this period to existing pensioners.
- A former Chair of HEFCW's Council receives pension benefits broadly by analogy (BBA) with the PCSPS. The BBA pension provision is unfunded, with benefits being paid as they fall due and guaranteed by Medr. This liability transferred to Medr upon dissolution of HEFCW. There is no fund and therefore no surplus or deficit or assets. The scheme liabilities for service are calculated by the Government Actuary's Department every two years and was performed at the end of 2024-25 and amounted to £17,000 on 31 March 2025, see note 12 to the accounts on page 93.

Sickness absence

	2025-26 (12 Months)	2024-25 (8 Months)
Sickness absence rate (%)	1.85%	1.05%
Average working days lost	5.25	1.3
Number of working days lost	619.00	187.50
Approximate cost of working days lost	£135,901	£39,677

The approximate cost of working days lost is based upon the salary of a middle management grade.

Consultancy expenditure

	2025-26 (12 Months) £	2024-25 (8 Months) £
Legal	24,900	6,574
Strategy	14,826	21,982
IT	19,132	0
Human resource	86,350	0
Total	145,209	28,555

- Legal consultancies include external legal advice on regulatory, funding, employment, complaints handling, learner protection, and property lease matters. Advice provided on Medr Strategic Priorities by on-payroll fee paid officers.

- Review of Lifelong Learning Wales Record (LLWR) system by an on-payroll fee paid officer
- Human resource consultancy by an on-payroll fee paid officer supporting the Senior Leadership and People and Culture Teams with a range of people related advice and tasks.

Off-payroll engagement

There have been no payments off-payroll to employees or off-payroll temporary staff during the year.

Exit packages

There were no exit packages during the year.

Staff policies and other issues

Employee engagement and trade union activity

Regular staff briefings take place within Medr via Teams to ensure that staff across Wales can join the meetings. Medr also issue weekly round-ups via all-staff email which contain news and updates.

Medr recognises PCS Union as its trade union for staff, and it is involved and consulted on a regular basis. A Social Partnership Forum has been established, which PCS union staff representatives can raise staff issues, and this Forum meets on a regular basis.

In 2025-26 we undertook a staff survey to gather staff views on Medr, its culture and ways of working. Actions arising from this survey were analysed and reviewed by Senior Leadership Team, Social Partnership Forum, and People and Culture Committee.

Diversity and inclusion

Medr is committed to developing its policy and practice on diversity and inclusion, with an Equality, Diversity and Inclusion policy and Dignity at Work policy in place, to ensure that all employees are treated fairly.

Our approach to recruitment has meant we are accredited as “Disability Confident”, where we meet the five commitments regarding recruitment, training, retention, consultation and disability awareness. This accreditation was assessed in July 2024 and is valid until December 2026. In line with these commitments, any candidate declaring a disability, either internally or externally, would be offered an interview where they meet the minimum requirements.

Reasonable adjustments are also made for staff, where possible, due to illness or a protected characteristic or an employee returning to work following an absence. These arrangements are made in discussion between the employee, their line manager and a People and Culture colleague. They may often also involve our third-party occupational health provider for expert and impartial advice.

Gender pay gap

	31 March 2026	31 March 2025
Median gender pay gap	+2.31%	+7.59%
Mean gender pay gap	+4.31%	+12.44%

Proportion of males and females in each quartile pay band:

Quartile		Number**	31 March 2026	Number**	31 March 2025
Lower	M	9	28.13%	8	30.77%
	F	23	71.88%	18	69.23%
Lower middle	M	10	31.25%	8	30.77%
	F	22	68.75%	18	69.23%
Upper middle	M	16	50%	11	42.31%
	F	16	50%	15	57.69%
Upper	M	16	51.61%	15	57.69%
	F	15	48.39%	11	42.31%

** Does not include seven inward secondees.

There is no clear guidance on how non-binary or trans employees are included in the gender pay gap calculations. This will be something that we continue to monitor to ensure we report under best practice arrangements. At present, the options are to either exclude non-binary or trans employees from the calculations, or to record them based on the information supplied to HM Revenue & Customs (HMRC) and right to work details such as passport information. For Medr, the decision has been taken to exclude any employees who do not identify as either male or female, until such time that clear guidance is provided or the gender pay gap reporting takes in to account different genders.

Benchmark

Gender pay gap median	13.5%
Gender pay gap mean	12.3%

– Public sector gender pay gap for all employee jobs, UK, 2025

NB: there are no bonus related statistics as Medr does not make bonus payments

Community and human rights matters

Medr offers five days of paid leave per year for staff to volunteer and support local charities or community groups. This is encouraged on both an individual, team or cross-Medr basis.

Medr's Social Committee has hosted charity events, such as cake-baking sales, and colleagues undertake fund-raising events to support good causes, something that is supported within the organisation.

We embody the principles of human rights in our Equality, Diversity and Inclusion policy and practices and our policy on Dignity at Work aims to ensure that all employees' rights are respected.

Health and safety at work

We ensure that our duties with regard to health, safety and environmental matters are met, providing staff with safe working environments. In establishing Medr, we have undertaken building risk assessments, fire risk assessments and have also ensured that the headquarters in Cardiff has trained first aiders and fire wardens. As Medr are tenants of Public Health Wales in Cardiff, a positive relationship has been established with frequent meetings between the Public Health Wales facilities team and our Office Manager.

The hubs at Aberystwyth, Llandudno Junction, Merthyr Tydfil and Swansea are based in the Welsh Government buildings who are responsible for local health and safety matters and this is communicated to staff as part of their induction arrangements.

For Medr's Cardiff headquarters, all new employees are provided with a building induction within their first week, and arrangements are made clear on health and safety. This is replicated within hubs, and Welsh Government employees carry out this induction.

Staff development, support and wellbeing

Medr encourage staff to develop, learn and network in line with its core values. Employees are encouraged to take ownership of their development and Senior Leadership Team are operating an open approach to organising learning and development needs as Medr grows as an organisation.

Medr operates frequent “Know your Medr” sessions for staff to learn from each other, and our staff development days focus on building shared knowledge and experience.

Employees have access to an Employee Assistance Programme, which provides access to advice and counselling 24 hours a day, 365 days a year. The resource is available via phone, website and as a mobile application, and promotes fitness, a healthy lifestyle and provides mental health support.

Medr operates a wellbeing hour, which allows staff to take one hour, pro-rata, per week, during the working day to undertake an activity that is of benefit to their health and wellbeing.

Alongside the above, there are many health and wellbeing based policies in place, such as flexible working, special leave, workplace adjustment passports, and many wellbeing resources on our intranet to support staff.

Sustainability

Medr operates a leased floor space from another governmental organisation equating to 9,645 sq ft and further rent a small amount of space in the Welsh Government hubs across Wales.

We report annually on emission impact to the Welsh Government and are currently reviewing a sustainability action plan to support the Welsh Government Net Carbon Zero policy.

Category	Non- financial information		Financial information	Greenhouse gas emissions	
Scope 1 – direct emissions					
n/a					
Scope 2 – indirect emissions (purchased energy)					
Electricity	61,881	kwh	17,100	15.186	tCO2e
F-Gas	0	kg	0		tCO2
Gas	61,943	kwh	n/a	13.204	tCO2e
Wood pellet	2,381	kwh	n/a	0.117	tCO2e
Energy Total				28.507	tCO2e
Scope 3 – indirect emissions (other)					
Water/sewerage	448	m3	n/a	0.161	tCO2e
Waste	7,116	kg	0	0.057	tCO2e
Business travel					
Car total	67,856	miles	29,178	20.990	tCO2e
Bus total	142	miles	72	0.030	tCO2e
Taxi total	264	miles	716	0.079	tCO2e
Rail Total	55,266	miles	18,892	3.952	tCO2e
Air total	11,873	miles	645	3.155	tCO2e
Business travel total	135,401	miles	49,503	28.206	tCO2e
Staff commute					
Car	n/a	n/a	n/a	19.598	tCO2e
Rail	n/a	n/a	n/a	7.408	tCO2e
Bus	n/a	n/a	n/a	0.920	tCO2e
Staff commute total	n/a	n/a	n/a	27.926	tCO2e
Home working	n/a	n/a	n/a	59.966	tCO2e
Grand total	n/a	n/a	n/a	144.823	tCO2e

- (a) CO2 calculations were made where appropriate using the Welsh Government's 2025-26 Net Zero report collection tool and associated guidance notes.
- (b) 2025-26 emission data from our landlord (Public Health Wales) is not yet available, 2024-25 data has been used, there has been no change to Medr's lease agreement during the year.
- (c) Only electricity costs are available from our landlord. Other premises related costs are paid via service charges and not separately itemised.
- (d) Air travel emissions for staff include an overseas trip funded by an external body, an estimated cost was used and will be reflected in the emissions calculation.
- (e) Staff commuting and home working are estimated based on a staff survey undertaken in the summer of 2025 and has been adjusted to reflect increasing staff numbers. A new survey will be conducted in February 2027 for the next reporting cycle.

Waste

Medr adheres to the Welsh legislation on recycling, separating out into four different streams: Plastic, Paper and Card, non-recyclable and food. Staff are encouraged to segregate in the correct manner with enhanced waste bins used allowing for the appropriate segregation of waste and relevant clearly displayed signage.

Business travel, home working and commuting

All business travel needs are carefully considered. Where travel is required, staff are encouraged to travel share where appropriate and consider the use of public transport. Staff primarily are homeworking and are encouraged to use office space where purpose is required.

Supply chain emissions

Medr will continue to collect supplier spend data to support the Welsh Government carbon reporting requirements.

As the Accounting Officer for Medr, I have reviewed the evidence and can confirm that the statements made in this report are correct for the period 1 April 2025 to 31 March 2026. There have been no significant internal control or governance issues. I can also confirm that sound systems of internal control are in place to help meet the organisation's strategic aims and commitments.

James Owen, Chief Executive
25 September 2026

The Certificate and report of the Auditor General for Wales to the Senedd.

Opinion on financial statements

I certify that I have audited the financial statements of Medr for the year ended 31 March 2026 under the provisions of section 139 of the Tertiary Education and Research (Wales) Act 2022.

The financial statements comprise the Statement of comprehensive net expenditure, Statement of financial position, Statement of cash flows Statement of changes in taxpayers' equity and related notes, including the material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of Medr's affairs as at 31 March 2026 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; and
- have been properly prepared in accordance with Welsh Ministers directions issued under the Tertiary Education and Research (Wales) Act 2022.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Medr is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon.

The Accounting Officer is responsible for the other information in the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Welsh Ministers' directions made under the Tertiary Education and Research (Wales) Act 2022.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in

accordance with Welsh Ministers' directions made under the Tertiary Education and Research (Wales) Act 2022; and

- the information given in the Foreword, Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Foreword, Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit;
- proper accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;
- information specified by Welsh Ministers regarding remuneration and other transactions is not disclosed;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of

financial statements to be free from material misstatement, whether due to fraud or error; and

- assessing Medr's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Medr will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Tertiary Education and Research (Wales) Act 2022.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

Enquiring of management, the Medr's head of internal audit] and those charged with governance, including obtaining and reviewing supporting documentation relating to Medr's policies and procedures concerned with:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following area: management override and posting of unusual journals.

- Obtaining an understanding of Medr's framework of authority as well as other legal and regulatory frameworks that the Medr operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Medr.
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit and Risk Committee about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Medr's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Catherine Mealing-Jones
Auditor General for Wales
29 September 2026

1 Capital Quarter
Tyndall Street
Cardiff

Statement of comprehensive net expenditure for the year ended 31 March 2026

	Notes	2025/26 (12 Months) £'000	2024/25 (8 Months) £'000
Income			
Other grant income	2	(10,469)	(4,506)
Total other grant income		(10,469)	(4,506)
Expenditure			
<i>Funding of tertiary education:</i>			
Recurrent expenditure	3	962,968	650,425
Capital expenditure	3	39,000	31,524
Other purposes	3 & 5	10,429	4,478
Total funding of tertiary education expenditure		1,012,397	686,427
<i>Operating expenditure:</i>			
Staff costs		9,530	5,456
Depreciation	7	92	62
Amortisation	8	317	212
Depreciation right-of-use asset	13	200	133
Other expenditures	6	1,530	958
Total operating expenditure		11,669	6,821
Total expenditure		1,024,066	693,248
Net operating costs		1,013,597	688,742
IFRS 16 interest charge	14	29	23
Comprehensive net expenditure for the year		1,013,626	688,765

The notes on pages 83 to 99 form part of these accounts. All activities are continuing.

Details of staff costs are shown on page 66 as part of the Remuneration and Staff Report.

The Accounting Officer authorised these financial statements for issue on 25 September 2026.

Statement of financial position

as at 31 March 2026

	Notes	2025/26 (12 Months) £'000	2024/25 (8 Months) £'000
Non-current assets			
Property, plant and equipment	7	302	393
Intangible assets	8	423	741
Right-of-use asset	13	450	649
Total non-current assets		1,175	1,783
Current assets			
Trade and other receivables	9	205	273
Cash and cash equivalents	10	9,121	7,765
Total current assets		9,326	8,038
Total assets		10,501	9,821
Current liabilities			
Trade and other payables	11	(850)	(700)
Lease liability	14	(200)	(192)
Provisions for liabilities and charges within one year	12	(2)	(1)
Total current liabilities		(1,052)	(893)
Total assets less current liabilities		9,449	8,929
Non-current liabilities			
Provisions for liabilities and charges after one year	12	(13)	(16)
Lease liability	14	(269)	(468)
Total non-current liabilities		(282)	(484)
Total assets less total liabilities		9,167	8,444
Taxpayers' equity and other reserves			
General Fund		9,167	8,444

The notes on pages 83 to 99 part of these accounts. The Accounting Officer authorised these financial statements for issue on 25 September 2026.

Signed

James Owen, Chief Executive
25 September 2026

Statement of cash flows for the year ended 31 March 2026

	Notes	2025/26 (12 Months) £'000	2024/25 (8 Months) £'000
Cash flows from operating activities			
Net operating costs before interest		(1,013,597)	(688,742)
Depreciation charges	7	92	62
Amortisation charges	8	317	212
Depreciation on right-of-use asset	13	200	133
(Increase)/Decrease in trade and other receivables	9	68	(47)
Increase/(Decrease) in trade and other payables	11	150	218
Movement in provisions	12	(3)	1
Net cash outflows from operating activities		(1,012,773)	(688,163)
Cash flows from returns on investments and servicing of finance			
IFRS 16 interest paid	14	(29)	(23)
Net cash flows from returns on investments and servicing of finance		(29)	(23)
Cash flows from investing activities			
Purchase of Property, Plant and Equipment	13	0	(783)
Purchase of intangible fixed assets	8	0	(80)
Net cash outflow from investing activities		0	(862)
Cash flows from financing activities			
IFRS 16 Lease Liability	14	(191)	660
Grant in Aid from Welsh Government		1,014,349	692,256
Net cash flows from financing activities		1,014,158	692,916
Net increase in cash and cash equivalents		1,356	3,868
Cash and cash equivalents at beginning of period	10	7,765	3,897
Cash and cash equivalents at end of period	10	9,121	7,765
Net increase in cash		1,356	3,868

The notes on pages 83 to 99 form part of these accounts.

The Accounting Officer authorised these financial statements for issue on 25 September 2026.

Statement of changes in taxpayers' equity for the year ended 31 March 2026

	General Fund	
	2025/26 (12 Months) £'000	2024/25 (8 Months) £'000
Balance at 1 April	8,444	4,953
Comprehensive net expenditure for the period	(1,013,626)	(688,765)
Grant in aid from Welsh Government	1,014,349	692,256
Balance at 31 March	9,167	8,444

The notes on pages 83 to 99 form part of these accounts.

The Accounting Officer authorised these financial statements for issue on 25 September 2026.

Notes to the accounts

1. Statement of accounting policies

(a) Basis of accounting

These accounts are prepared in accordance with a direction issued by Welsh Ministers, with the consent of the Treasury, in exercise of the powers conferred by paragraph 15, Schedule 1 of the Tertiary Education and Research (Wales) Act 2022.

The accounts have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM allows a choice of accounting policy, the accounting policy, which is judged to be most appropriate to our circumstances for the purpose of giving a true and fair view, has been selected. The policies adopted by us are described below. They have been applied consistently in dealing with items that are considered material to the accounts. There are no new accounting standards issued but not yet effective that would have a material effect on these financial statements had they been applied in this reporting period.

(b) Funding

Grant-in-aid is received from the Welsh Government to fund general revenue activities. This amount of grant-in-aid is regarded as financing and is credited to the general reserve on receipt.

(c) Grants payable

These accounts are prepared on a financial year basis to 31 March but grants payable are issued on an academic year basis to 31 July. Grants payable are recorded as expenditure in the period in which the recipient conducts the activity, which creates an entitlement. Those grants of a recurring nature, mainly the recurrent funding provided to further and higher education providers, are brought to account when paid. This treatment achieves in all material respects a match between grant funding brought to account and the pattern of financial activity at the further and higher education providers.

(d) Repayable grants

Repayable grants are funds provided to providers on an individual basis to support the initial costs of specific projects, which are normally recovered via an adjustment to their future funding.

(e) Pension costs

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and the Civil Servants and Others Pension Scheme (CSOPS) arrangements. We recognise the expected cost of providing pensions on a systematic and rational basis over the period during which we benefit from employees' services by payment to both pension scheme

arrangements of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on both arrangements.

A former Chair of HEFCW is covered by a pension scheme that is analogous with the PCSPS. The liability has transferred to Medr as the successor organisation to HEFCW. We make payments to the former Chair as they are due. However, the expected cost of providing the pension is recognised through building up provision for the future liability calculated by using actuarially assessed assumptions.

(f) Property, plant, and equipment

Leasehold land and buildings are held at open market value for existing use, the exception is properties of a specialised nature held at depreciated replacement cost. Leasehold land and buildings are valued using professional valuations either every five years, or annually, with indices in intervening years for non-annual valuations.

Plant and equipment (which include information technology and fixtures and fittings), are valued at historical cost. As these asset classes have a short useful economic life, reliable revaluations of these assets could only be obtained at prohibitive cost. No significant estimation techniques are used in the valuation of these asset classes. The minimum level for capitalisation of individual assets is £5000.

Depreciation is calculated on a straight-line basis over the asset's estimated useful life, being a realistic reflection of the consumption of the asset (see below). A full year's depreciation is charged in the year of acquisition, with no charge in the year of disposal. Depreciation is provided at rates calculated to write-off the value of intangible assets and other property, plant, and equipment assets by equal instalments over their estimated useful lives.

Leasehold land and buildings – 5 to 15 years

Plant & equipment – 5 years

Information technology – 3 years

Fixtures and fittings – 5 years

Any office alterations included within fixtures and fittings are amortised over the remaining period of the lease, from the date of purchase.

(g) Intangible fixed assets

Software licences costing more than £5,000 are capitalised.

Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life as shown below. A full year's amortisation is charged in the year of acquisition.

Software licences – 3 years

(h) Value Added Tax

Medr's activities are outside the scope of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of property, plant, and equipment.

(i) International Financial Reporting Standards (IFRS) 16 Leases

IFRS 16 supersedes International Accounting Standard 17 Leases and is effective in the public sector from 1 April 2022. It provides a single lessee accounting model and requires a lessee to recognise right-of-use assets and liabilities for leases with a term of more than 12 months unless the underlying value is of low value.

(j) Financial instruments

Financial assets: Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Cash comprises cash at bank on instant access terms.

Financial liabilities: Trade payables are not interest-bearing and are stated at their nominal value.

(k) Segmental reporting

The FReM directs public bodies to meet the requirements of IFRS 8 to report information concerning operating segments where the criteria under IFRS 8 are met. We consider our activities contribute to a single mission operating within the same business environment and there are no separable operating segments. As a result, we do not report by operating segments.

(l) Staff costs and secondments

Any staff on secondment normally continue to be paid by us. The reimbursement of costs for seconded staff is netted off against staff costs in the note included within the Staff Report, which forms part of the Accountability Report.

(m) Transfer by absorption

Functions previously exercised by the Higher Education Funding Council for Wales (HEFCW) and the Welsh Government transferred to Medr on 1 August 2024. HEFCW was dissolved on 31 July 2024. In line with the FReM the transfer of functions from HEFCW and the Welsh Government to Medr is treated as transfer by absorption. The recorded amounts of net assets have been brought into the financial statements of Medr from 1 August 2024. Net asset carrying value has been recorded as a non-operating gain from the transfer of function, through net expenditure. Any revaluation reserves and accumulated depreciation has been transferred, with corresponding adjustments to the general fund reserve.

(n) Events After the Reporting Period

Events occurring between the end of the reporting period and the date when the financial statements are authorised by Medr's Board for issue are required to be accounted for in accordance with International Accounting Standard 10 (IAS 10).

(o) Provisions

A provision is a liability of uncertain timing or amount. A liability is a legal obligation or constructive obligation arising from an entity's actions, through which it has indicated to others that it will accept certain responsibilities, and as a result has created an expectation that it will discharge those responsibilities.

Medr will recognise a provision if it is probable that an outflow of cash or other economic resource will be required to settle the provision. All provisions are reviewed at the end of the financial year.

(p) Contingent Liabilities

Contingent liabilities are conceivable obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of an entity and/or obligations that are not recognised because their amount cannot be measured reliably or because settlement is not probable.

A contingent liability is not formally recognised in the Statement of Financial position. Unless the possibility of an outflow of economic resources is improbable, a contingent liability is disclosed as a note to the Statement of Accounts.

2. Other Grant Income

	2025/26 (12 Months) £'000	2024/25 (8 Months) £'000
Department of Science, Innovation and Technology – Research Capital Investment Fund	9,247	4,478
International Science Partnership Fund (ISPF)	1,182	0
Prevent	40	28
Total Income from Activities	10,469	4,506

Prevent income is funding to support reporting on compliance with the Prevent Duty by higher education providers.

3. Funding of tertiary education

Summary of Programme Expenditure

	12 months to 31 March 2026 £'000	8 months to 31 March 2025 £'000
Grant-in-Aid Expenditure		
Higher Education Core Funding	158,826	121,966
Further Education Core Funding	481,105	302,356
Local Authority Core Funding	128,853	78,349
Strategic Funding	46,988	33,576
Degree Apprenticeships	9,206	8,354
Medical Places	4,192	3,967
Ring Fenced*	960	513
Capital	39,000	31,524
Apprenticeships	138,942	110,705
Total Grant-in-Aid Expenditure	1,008,072	691,310
Clawback**	(6,104)	(9,362)
Non Grant in Aid Expenditure ***	10,429	4,478
Total Expenditure	1,012,397	686,427

*Funding for junior apprenticeships

**See Note 4.

***See Note 5. This is non grant-in-aid.

Medr inherited funding commitments from previous Ministerial and Higher Education Funding Council for Wales (HEFCW) decisions for the academic year (AY) 2024/25 (from 1 August 2024 to 31 July 2025).

4. Grants to providers

Included in these accounts are grants to tertiary education providers, which are subject to the recipients' external auditors' confirmation that they have been used for their intended purpose. The financial year of providers ends on 31 July, once we have received their audited accounts, we will review whether any adjustments to grants are necessary. Clawbacks recognised in year relate to a range of grant programmes. Due to timing of providers reporting, adjustments can relate to funding allocations across multiple years, these resulted in a clawback of £6.104m. Any adjustment arising from the 2025/26 accounts and student numbers will be made by us in future years.

We confirm that grants we have received from the Welsh Government have been used for their approved purposes.

5. Expenditure for other purposes*

	12 months to 31 March 2026 £'000	8 months to 31 March 2025 £'000
Research Capital Investment Fund		
Swansea University	2,301	1,163
Cardiff University	5,008	2,339
University of South Wales	235	114
Bangor University	802	440
Aberystwyth University	747	361
Cardiff Metropolitan University	154	61
Total	9,247	4,478

International Science Partnership Fund		
Swansea University	284	0
Cardiff University	366	0
Bangor University	307	0
Aberystwyth University	225	0
Total	1,182	0

Total expenditure for other purposes	10,429	4,478
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* Non grant-in-aid funding.

6. Other expenditures

	12 months to 31 March 2026 £'000	8 months to 31 March 2025 £'000
Operational Expenditure		
Accommodation costs	165	151
Office costs	107	41
Bought-in services	51	112
Auditors remuneration	68	52
Board members' travel and subsistence costs	8	7
Board members' meeting costs	8	8
Staff travel and subsistence costs	90	39
Staff related expenditure on training, recruitment etc.	185	63
Information technology costs	848	485
Total operational expenditure	1,530	958

7. Property, plant and equipment

	Information technology equipment (12 months) £'000	Fixtures, fittings and equipment (12 months) £'000	Total (12 months) £'000
Cost			
At 1 April 2025	273	459	732
Additions	0	0	0
Disposals	0	0	0
At 31 March 2026	273	459	732
Depreciation			
At 1 April 2025	273	66	339
Charged during period	0	91	91
Disposals	0	0	0
At 31 March 2026	273	157	430
Net book value at 31 March 2026	0	302	302
Net book value at 1 April 2025	0	393	393

	Information technology equipment (8 months) £'000	Fixtures, fittings and equipment (8 months) £'000	Total (8 months) £'000
Cost			
At 1 April 2024	344	464	808
Additions	0	0	0
Disposals	(71)	(5)	(76)
At 31 March 2025	273	459	732
Depreciation			
At 1 April 2024	343	10	353
Charged during period	1	61	62
Disposals	(71)	(5)	(76)
At 31 March 2025	273	66	339
Net book value at 31 March 2025	0	393	393
Net book value at 1 April 2024	1	454	455

8. Intangible fixed assets

	Software licences (12 months) £'000	Software licences (8 months) £'000
Cost		
At 1 April	973	894
Additions	0	80
Disposals	0	0
At 31 March	973	973
Amortisation		
At 1 April	233	21
Charged for the period	317	212
Released on disposal	0	0
At 31 March	550	233
Net book value at 31 March 2026	423	741
Net book value at 31 March 2025	741	872

9. Trade receivables and other current assets

	As at 31 March 2026 (12 months) £'000	As at 31 March 2025 (8 months) £'000
Amounts falling due within one year		
Prepayments and accrued income	203	271
Other receivables	2	2
Total amount falling due within one year	205	273
Intra-government balances		
Other central government bodies	0	0
Balances with other government bodies	0	0
Total balances with other government bodies	0	0
Balances with non-government bodies	205	273
Total amounts falling due within one year	205	273

10. Cash and cash equivalents

	As at 31 March 2026 (12 months) £'000	As at 31 March 2025 (8 months) £'000
Cash held under Government Banking Service		
Balance at start of period	7,765	3,897
Net change in cash and cash equivalent balances	1,356	3,868
Balance 31 March	9,121	7,765

The Government Banking Service (GBS) is a government-wide banking service provided by the Royal Bank of Scotland (RBS). We do not earn any interest on any balance held in GBS accounts.

The Framework Document and Managing Welsh Public Money requires Medr to minimise its cash holdings and not hold more at year end than 2% of total grant-in-aid available. Medr's closing cash balance was £9.121m, representing 0.9% of the total funds available.

11. Trade payables and other current liabilities

	As at 31 March 2026 (12 months) £'000	As at 31 March 2025 (8 months) £'000
Amounts falling due within one year		
Trade Creditors	6	2
Accruals	844	698
Other taxation and social security	0	0
Sundry creditors	0	0
Total amounts falling due within one year	850	700
Intra-government balances		
Central government bodies	216	186
Other central government bodies	0	0
Total balances with other government bodies	216	186
Balances with non-government bodies	634	514
Total amounts falling due within one year	850	700

12. Provisions for liabilities and charges

	As at 31 March 2026 (12 months) £'000	As at 31 March 2025 (8 months) £'000
Provisions	0	0
Liabilities:		
Broadly by analogy pension liability charge for the year*	2	1
Analysis of timing of liability		
Falling due within one year	2	1
Falling due between two and five years	10	7
Falling due after five years	3	9
Total liability	15	17

*See details on page 63 and 67.

13. Right-of-use asset

	Buildings as at 31 March 2026 (12 months) £'000	Buildings as at 31 March 2025 (8 months) £'000
Cost		
At 1 April	0	0
IFRS 16 recognition of asset	783	783
Additions	0	0
Disposals	0	0
At 31 March	783	783
Depreciation		
At 1 April	133	0
Charged for the period	200	133
Released on disposal	0	0
At 31 March	333	133
Net book value at 31 March 2026	450	–
Net book value at 31 March 2025	–	650

14. Lease liabilities

	Buildings as at 31 March 2026 (12 months) £'000	Buildings as at 31 March 2025 (8 months) £'000
Cost		
At 1 April	660	0
IFRS 16 recognition of asset	0	783
Additions	0	0
Repaid in the year	(220)	(146)
Interest charged	29	23
At 31 March	469	660
Analysis of timing of liability		
Falling due within one year	200	192
Falling due later than one year not later than five years	269	468
Total lease liability	469	660

15. Other financial commitments and contingent liabilities

	As at 31 March 2026 £'000	As at 31 March 2025 £'000
Not later than one year	331,255	393,941
Later than one year and not later than five years	0	41,111
Total	331,255	435,052

In the reporting period, the Welsh Government allocated funding to Medr on a financial year (FY) basis. Medr must manage funding accordingly with institutions requiring funding aligned to their operating and/or delivery period based on an academic year (AY). Because of this, Medr has to make commitments which traverse in to future financial years. Medr will fund these commitments through grant-in-aid from the Welsh Government.

16. Related parties

The Financial Reporting Manual confirms that IAS 24 – Related Party Disclosures is applicable to these financial statements. The purpose of this standard is to ensure that included within these statements are disclosures deemed necessary to provide transparency where the possibility exists that the financial position may have been affected by the existence of related parties and/or by transactions with those considered a related party. A related party is considered a person or entity in which it could be perceived Medr or officers of Medr have an influence on performance or outputs of another organisation or likewise an external organisation or officers employed externally on Medr.

Medr is a Welsh Government Sponsored Body. The Welsh Government is regarded as a related party. During the year, Medr had various material transactions with the Welsh Government, which was regarded as the parent Department.

During the period Medr recorded the below transactions with the Welsh Government:

Recognition of Grant Funding received:

	£'000
Grant-in-Aid	1,014,349
Non Grant-in-Aid	10,429
Total Funding	1,024,778

Recognition of payments made:

	£'000
Inward secondments	248
Hub rental	21
Internal audit	77
Other	25
Total payments	370

The related party standard also considers the composition of management board (including non-executive and advisory Board members) as related parties. These are deemed individuals who are considered to have influence upon the decisions governing the entity. The standard considers two entities are not related due to the commonality of a director or other key management personnel. However, we have presented below relationships and transactions with whom we share Board members or in cases where there are members of their immediate family. It is unlikely that Board members would have been aware of such transactions as they would not partake in operational capacity or bear any decision-making responsibility to undertake these transactions.

During the year Medr, in the normal course of its business, entered the following transactions with the following organisations which are considered related parties

Name	Designation	Relationship with related party
Professor Dame Julie Lydon	Chair	Learned Society of Wales – Elected Fellow of the Society, Member of Scrutiny Committee for Industry, Commerce, the Arts & Professions University of West of England – Board member
Professor David Sweeney CBE	Deputy Chair	The Conversation UK – Board or Advisory Board UKRI – Employed
Dan Beard	Board Member	University of South Wales – Employer
Cerys Furlong	Board Member	Fitzalan High School (funded through Cardiff County Council) – Volunteer Governor
Rob Humphreys CBE FLSW	Board Member	Learned Society of Wales – Elected Fellow of the Society, Chair of Scrutiny Committee for Industry, Commerce, the Arts & Professions
James Davies	Board Member	Swansea University – Extended family Member of Board
Dr Gwenllian Lansdown Davies	Board Member	Mudiad Meithrin – Chief Executive
Jeff Greenidge	Board Member	Association of Colleges – Employed
Stephen Marston	Board Member	University of Derby – Non-Executive Board Member and Member of Audit and Risk Committee
Professor Chris Millward	Board Member	Office for Students – Interim director (non-executive post)
Estelle Hart	Associate Board Member	Swansea University – Employed University and College Union Wales – Seat on the national executive committee and Chair
Deio Owen	Associate Board Member	NUS Students' Union Charitable Services – Director and Trustee

The total amount of funding* received by each of the organisations listed above are as follows:

Related Party Transactions	As at 31 March 2026 (12 Months) £'000
The Conversation Trust (UK) Limited	50
Cardiff County Council	21,286
The Learned Society of Wales	372
Swansea University	35,946
University and College Union Wales	69
NUS Charitable Services	119
University of the West of England	7
UK Research and Innovation	183
University of South Wales	24,073
Association of Colleges	10
University of Derby	2
Office for Students	198

* The amounts represent the total funding received by the organisations on a cash basis.

Within the above related party transactions, the below receivables are recorded within the financial statements:

Trade receivables

Related Party Transactions	Amounts falling due within one year £'000	Amounts falling due after one year £'000
The Conversation UK	8	0

Trade creditors

Related Party Transactions	Amounts falling due within one year £'000	Amounts falling due after one year £'000
UK Research and Innovation	64	0
Office for Students	28	0

During the year no Board member or senior member of staff or other related parties has undertaken any material transactions with Medr.

Details of Board members declared interests are available on the Medr website under [Board and Governance](#).

17. Events after the reporting period

After the reporting period, the Welsh Government allocated funding to Medr on a financial year (FY) basis from 1 April 2026 to 31 March 2027. In May 2026, local authorities were provided with details of allocations for the academic year (1 August 2026 to 31 July 2027). These, and any other commitments for FY2025-26 or AY 2025/26 have been disclosed. Medr will fund these commitments through grant-in-aid from the Welsh Government. Following approval by the Senedd of the Welsh Government budget for 2026-27, the Welsh Government confirmed on 26 March 2026 that Medr's budget for FY 2026-27 would be £1,018,508,000.

The funding allocation for the academic year 2026/27, as set out in [Investment for academic year 2026/27](#), is based on prevailing funding assumptions. Medr will use reasonable endeavours to honour the allocation in full; however, funding relating to the final four months of the academic year (1 April 2027 to 31 July 2027) may be varied where necessary to reflect changes in the availability of funding from the Welsh Government for the 2027-28 financial year.

The allocations were issued to institutions on 13 May 2026 academic year commitments are presented below:

Allocations issued after 31 March 26	£'000
Not later than one year	657,717
Later than one year and not later than five years	363,215
Total	1,020,932

Medr

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

2 Capital Quarter, Tyndall Street,
Cardiff, CF10 4BZ

info@medr.cymru
medr.cymru



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