

# Capital funding for financial year 2025-26

Process for distribution of capital  
funding and invitation to bid

**Bids must be submitted by 30 July 2025**

**Reference** OfS 2025.29

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# Summary

1. This document sets out the arrangements for the distribution by the Office for Students (OfS) of capital grant funding for the financial year (1 April to 31 March) 2025-26.
2. The Department for Education has made £84 million available to us for the financial year 2025-26. The majority of this funding will be allocated through a bidding exercise which will run over the summer of 2025.
3. We are now inviting bids from providers registered in the Approved (fee cap) category. This publication sets out our requirements for submitting a bid and explains how we will make decisions about which projects will receive funding. Successful bidders will be required to spend all OfS capital funds awarded by the end of this financial year (31 March 2026). There are likely to be approximately 30 to 40 funded projects through this scheme.
4. There is £72.75 million available through the bidding process. A further £7.75 million of capital funding will be distributed through a formula allocation, grants for which will be announced in autumn 2025. Formula-based capital allocations will not be available to providers that are successful through the competitive bidding process. This approach will enable us to use the funding to support the widest range of students and providers.
5. The remaining £3.5 million of capital funding will be made available to Jisc, to support the network services that it provides.

## Action required and timeframe

6. Eligible providers need take no action to receive a formula capital funding allocation. These will be calculated on the basis of student data once the bidding process for competitive capital funding has concluded.
7. We invite eligible providers that wish to submit a bid for competitive capital funding to download and complete a copy of the bidding template, available alongside this guidance on our website. The completed template should be submitted via the 'capital funding bids 2025-26' area of the OfS portal<sup>1</sup>, following the guidance in this document and in the bidding template. This area of the portal will open by mid-July.
8. Further details on how to upload the bidding template are provided in Annex B. We strongly recommend that you ensure you can access the portal well in advance of the bid deadline.
9. The timeframe for the bidding process and allocation of funding is set out in Table 1 below.

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<sup>1</sup> Go to [Login - Office for Students portal](#).

**Table 1: Timeframe for bidding and delivery**

Action	Date
Guidance published	12 June 2025
Deadline for receipt of competitive bids	30 July 2025 at 1700
Acknowledgement of bids	The OfS will confirm receipt of bids by 1700 on 1 August 2025. If you have not received a confirmation by this time, please contact us at <a href="mailto:capitalgrant@officeforstudents.org.uk">capitalgrant@officeforstudents.org.uk</a> .
Assessment process and decision making	August and September 2025
Outcomes confirmed to bidders	September 2025
Funding commences for projects and formula capital	October 2025
Successful projects and formula capital allocations announced publicly	November 2025
Interim monitoring of projects	December 2025
End of the financial year – all OfS funding must be spent in full	31 March 2026
Final monitoring of both project and formula capital funding	14 April 2026

# Introduction

## Background

10. On 19 May 2025, the Secretary of State for Education confirmed that the OfS will have a total of £84 million of capital funding<sup>2</sup> to distribute during the 2025-26 financial year.<sup>3</sup>
11. The letter asked the OfS to continue to allocate the majority of capital funding through a competitive bidding process, with successful bids supporting the government's objectives and priority sectors for growth. The letter also confirmed our ability to continue to provide a smaller formula-based capital allocation and to continue to provide capital funding for Jisc.
12. From the total funding available, we will allocate:
  - £72.75 million through a competitive bidding process
  - £7.75 million through a formula grant allocation
  - £3.5 million to support Jisc.
13. The government's guidance letter does not provide any information about capital funding for 2026-27.

## Our strategic aims

14. Our aim for this funding competition is to improve the learning experience for higher education students at registered providers, by helping raise the quality of learning and teaching facilities to support high quality, skills-based education; and to prioritise in particular:
  - a. Facilities that align with and support one or more of the following:
    - i. The needs of local employers and regional economies, as identified in Local Skills Improvement Plans (LSIPs)
    - ii. Skills England's priorities
    - iii. The government's Industrial Strategy.
  - b. Capital expenditure that will demonstrate value for money and support environmental sustainability in reducing energy consumption.
15. We consider that these objectives will also promote choice and opportunities for students across the country, enabling providers to support priority subject areas that require specialist teaching facilities and help to support the government's priorities by meeting the skills needs of both students and employers.

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<sup>2</sup> 'Capital funding' in this context means funding allocated in respect of capital expenditure incurred, or to be incurred, by the provider. Capital expenditure means money used to acquire or maintain fixed assets, such as land, buildings and equipment, which is normally capitalised in the provider's audited annual accounts. It does not include expenditure on rent, or hiring or leasing of equipment and facilities.

<sup>3</sup> Available from: [Guidance from government - Office for Students](#).

## Formula allocations

16. We will distribute £7.75 million in capital funding over the financial year, through a formula allocation. However, given the overall amount of funding made available to us for the year, we have decided to not make a formula allocation to those providers that are successful in submitting a bid for project capital funding. This approach will enable us to provide access to capital funding to a wide range of providers and their students.
17. This means that we cannot issue formula capital allocations until the competitive bidding process has concluded. As set out in the timeline shown in Table 1, we expect to release these allocations by October 2025. However, providers are reminded that capital funding can be used to support spend made at any point in the financial year (1 April 2025 to 31 March 2026). Within those limits, OfS capital funds can be used to support activity undertaken before formula capital is announced in the autumn.
18. We will use student data to calculate formula allocations. Details of the calculation method will be confirmed when allocations are announced, but we expect to use the existing method by which formula allocations are based on student numbers weighted by price group. (We will apply additional weighting for postgraduates, disabled students and some specialist providers.)
19. As in previous years, we expect to retain an overall maximum cap on the total formula funding received by any provider and to maintain a minimum allocation threshold. However, given the reduced level of funding available to us, these will also be reduced. Final maximum and minimum thresholds will be confirmed in the autumn, but we expect these to be approximately £35,000 and £10,000 respectively.

## Allocation of capital through competitive bids

### Overview

20. We will distribute up to £72.75 million over the financial year 2025-26, through a competitive bidding exercise to be run during summer 2025.
21. Allocating funding through a bidding process provides assurance that public monies will be used to support projects that deliver on the strategic priorities of both the OfS and the government. We do recognise that there is an administrative burden for providers in preparing bids and for the OfS in assessing them, but that this needs to be balanced with our duties to deliver value for money through the range of projects and providers that receive funding.
22. We have also had regard to our general duties in Section 2 of the Higher Education and Research Act 2017 (HERA), in particular the need to promote value for money in the provision of higher education by English higher education providers and to use the OfS's resources in an efficient, effective and economic way.<sup>4</sup>
23. Given the 12-month period in which the funding must be used, and the amount of grant available to distribute, the competition will seek to fund a diverse set of projects which should be ready to deliver fully for students by the start of academic year 2026-27. As this funding is

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<sup>4</sup> See [www.legislation.gov.uk/ukpga/2017/29/section/2/enacted](https://www.legislation.gov.uk/ukpga/2017/29/section/2/enacted).

available for one year only, once we have announced the successful bidders we would not expect the scope of the agreed projects, or the agreed payment profiles, to change substantively. However, if there are urgent matters affecting funded projects of which we should be made aware, then successful providers should contact us immediately, so that we can consider appropriate decisions and actions as required.

24. We expect the activities set out in the bids to be delivered in full. If projects do need to change significantly then we will need to consider whether our funding can continue as planned. We cannot provide any extensions to our funding beyond March 2026. Proposals submitted should reflect the one year timescale; it is unlikely we will fund longer-term projects which will not be completed ready for the start of the academic year 2026-27. This is so that we can maximise the benefits for students from the funds available and be fair to all bidders. There may be some providers, for example, that are seeking time critical investment in infrastructure or equipment which cannot be resourced by other means.
25. If you have a speculative or higher risk proposal which is likely not to be relevant to or delivered within the parameters set out in this guidance, then we would ask you not to submit a bid on this occasion.

## **Eligible providers**

26. To be eligible to bid, a provider must be registered with the OfS in the Approved (fee cap) category. This reflects the scope of our funding powers under section 39 of the Higher Education and Research Act 2017.

## **Eligible bids**

27. Each eligible provider may submit only one bid. We will not consider multiple bids from a provider, or bids received after the application deadline of 30 July 2025. We will apply a minimum funding threshold and maximum cap with the aim of giving us a balanced portfolio of funded projects.
28. Providers are allowed to submit a bid covering multiple strands of work or a set of smaller activities that contain items of appropriate capital expenditure which meet the OfS criteria (as set out in paragraphs 27-42). Providers should note that where a proposal sets out multiple strands of work, it will be scored as a whole and in its entirety. We will not score individual elements or strands within a bid – all proposals will be scored as one submission. As such, providers should consider carefully whether the inclusion of particular activities or strands within a multi-layered bid will enhance or undermine the overall strength of their proposal.
29. A provider may bid for capital funding to be spent at any time within financial year 2025-26. However, all OfS funds must be spent in full by 31 March 2026.
30. Ideally, providers will use this funding to deliver new projects and activities. However, given the timeframe for this process, providers can submit a bid for funding for a project that is already underway but not yet complete. We will assess bids with a view to maximising the value for money offered by the portfolio of projects as a whole and additional capacity to be delivered. Where providers are submitting a bid for a project already in progress, they should clearly set out the additional benefits that will be delivered from OfS funding. This could mean, for

example, that high quality enhancements and improvements could be made to capital works which would otherwise not be achievable, or that the project could be completed more quickly and free up funding for other investment. We will also need to consider carefully any proposals which seek funding linked to projects and activities we have supported in previous years, and whether there is sufficient additionality on offer for us to provide new investment this year.

31. A bid can be submitted for expenditure that has been committed prior to submission if:

- this is for an eligible project that meets the criteria in this invitation to bid document, and
- the money is spent in full within the financial year 2025-26, from April 2025 to March 2026.

32. We will actively monitor spend and progress, to manage the risk of any underspends accumulating towards the end of the funding period. In exceptional circumstances, if our monitoring does not give us confidence that a provider will be able to use the funding in the time available, in line with the terms and conditions that apply, we may withdraw the offer of funding in whole or part. Such exceptional circumstances may include significant delays in delivery (for whatever reason) compared to the timetable set out in the provider's bid (or as may subsequently be agreed by us) or failure of the provider to engage to our satisfaction in reporting and monitoring requirements.

## **Further considerations for submission of a bid**

33. As this is a one-year scheme, it is imperative that bids are accurate and the activities and capital works are viable and can be delivered as set out to us. Bids should demonstrate that:

- there is a need for the proposal
- that the provider has realistic delivery plans in place, and
- that the provider is ready for the funding sought.

34. Purely aspirational or unrealistic bids (for example, plans relying on future events or circumstances that cannot be predicted with certainty) will likely score poorly. We will carefully consider any bids which include the need for planning permission, as we have found that these decisions do not always run to time and can incur significant delays, which we will likely be unable to accommodate in a one-year process.

35. Bids must have a focus on one or more of the priority areas for investment set out in this guidance and the bidding template, but with this in mind we are interested to support:

- a. New capital projects which are ready for our investment and will more quickly deliver impacts and benefits for students, as well as provide excellent value for money.
- b. Refurbishment of, expansion of or adaptations to existing teaching facilities – to deliver improvements to infrastructure to sustain current provision and/or deliver growth.
- c. Critical investment to support the long-term viability and sustainability of a provider's facilities – essential projects at providers which cannot be resourced by other means.
- d. Upgrading of or buying new specialist equipment.



36. In the previous bidding competitions for capital funding, we received a number of interesting and innovative projects where the bid did not demonstrate sufficiently how it met the specified criteria and priorities set out in our guidance. Some bids focused on general ambitions and associated capital requirements for the provider instead of responding to the specific criteria and priorities.
37. A provider must ensure its bid reflects its strategic priorities and has the support of its governing body. In previous competitions we have received proposals from individual members of staff, which lacked the clear strategic support required.

## **Funding thresholds**

38. We have set a minimum threshold for funding through the bidding competition of £150,000, to ensure the funding can be widely shared across providers and can support significant capital developments.
39. We are also applying a maximum cap of £2.5 million for bids. In setting the level of the cap, we have sought to strike an appropriate balance in ensuring that we can support a range of providers and provide significant funding for any larger projects. Any bids requesting funds outside of the minimum and maximum limits will not be taken forward through the process.
40. As was the case at the start of the previous process carried out in 2022, in the event that the funds available are oversubscribed, we may need to reduce the maximum limit and/or choose to offer only part-funding to providers. If this becomes necessary and a provider is unable to progress its project because of reduced funding that is available, we will withdraw the offer and reallocate the funding to other bidders. We may also withdraw the offer of funding if, in response, the provider proposes to significantly reduce the scope of the project it bid for, such that the reduced scope would not have scored sufficiently to be funded in comparison with another bid.

## **Assessment criteria**

41. We will prioritise bids that we consider overall best meet the objectives set out in paragraph 14. In order to be successful, a bid must clearly explain how it meets the criteria and objectives for the funding.
42. The OfS will assess each bid against the following two criteria:
- a. Criterion 1: It is for 'relevant expenditure', supporting one or more of the following:
- The needs of local employers and regional economies, as identified in LSIPs
  - Skills England's initial priorities as set out in autumn 2024<sup>5</sup> – these reflect the sectors for growth as identified in the developing Industrial Strategy<sup>6</sup> and others earmarked as essential to the government's overall strategy. These 10 sectors are:
    - advanced manufacturing

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<sup>5</sup> See [Skills England - GOV.UK](#).

<sup>6</sup> See [Invest 2035: the UK's modern industrial strategy - GOV.UK](#).

- clean energy industries
- creative industries
- defence
- digital and technologies
- financial services
- life sciences
- professional and business services
- construction
- health and social care.

- b. Criterion 2: The project and associated risks will be well-managed and the project will provide value for money and support environmental sustainability in reducing energy consumption.

## Bidding template

43. Providers wishing to bid must do so by completing the bidding template, in the form of a Microsoft Excel file, available alongside this guidance on the OfS website. The template should be downloaded for completion, then when ready it must be uploaded and submitted to the OfS portal area – Capital funding bids 2025-26. The deadline for bids is **1700 on 30 July 2025**.
44. Bidders must complete all of the tabs outlined in Table 2 below. The table also directs bidders to the relevant paragraphs of the guidance.

**Table 2: Bidding template – table of contents**

Bidding template tab	Paragraphs
<b>Contact details and overview</b>	
A. Contact details and sign off	46 to 47
B. Executive summary	48 to 50
<b>Assessment Criterion 1</b>	
1. Relevant expenditure	51 to 61
<b>Assessment Criterion 2 – project management and value for money</b>	
2a. Funding and Project Plan	65 to 73
2b. Project Risks	74 to 76
2c. Value for money	77 to 84
2d. Environmental sustainability	85 to 87

45. The following paragraphs provide further detail about how to complete the sections of the bidding template and the scoring criteria, and explain how the information provided in each tab of the bidding template will be used to inform our assessment of the bid.

### Contact details and sign off (Tab A)

46. Please complete Tab A with the name and UKPRN of the provider and the contact details of the person submitting the bid. This is the person who will receive all correspondence from the OfS including, alongside the accountable officer,<sup>7</sup> the outcome of the bid.
47. Providers should complete Tab A with confirmation that the proposal has the approval of the accountable officer. We do not require an electronic signature to be inserted; however, we expect providers to maintain their own internal controls to ensure that the accountable officer is kept informed of the bid and supports its submission.

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<sup>7</sup> See [Regulatory advice 10: Accountable officers. Guidance for providers on the responsibilities of accountable officers - Office for Students](#).

## Executive summary (Tab B)

48. Providers are asked to complete an executive summary for the proposal. This question has a limit of 500 words and should provide:

- A summary of the aims and objectives of the bid, with a clear description of the relevant facilities for which the proposal is seeking investment
- A short description of the status of the project currently and the progress that should be reached by 31 March 2026.

49. If necessary, the executive summary can also provide context for the quantitative information collected in Tabs 2a and 2b (further guidance for which can be found below). However, there is no specific requirement to do so. Details of the amount of capital funding and items of expenditure are collected in Table 2a(ii) and do not need to be repeated in full here.

50. A short extract from this text may be published in our funding announcement publication, if the bid is successful.

## Criterion 1: Relevant expenditure (Tab 1)

51. To meet this criterion, a bid must demonstrate that capital expenditure will directly support relevant facilities. The facilities must relate to capital assets owned (including those purchased under leasehold) by the eligible provider that submits the bid.

52. Relevant facilities are:

- i. The purchase of equipment (including IT equipment) used for learning, teaching or assessment. This does not include renting or hiring of equipment.<sup>8</sup>
- ii. The acquisition, replacement or construction of premises or infrastructure (including IT infrastructure) used for learning, teaching or assessment. Acquisition may include the purchase of leaseholds, but this category does not include the making of payments outside of the purchase price, such as for rental or service charges.
- iii. The refurbishment, expansion or adaptation of existing premises or infrastructure (including IT infrastructure) that are to be used for learning, teaching or assessment.

53. Eligible projects are capital expenditure projects that support the capital needs of providers in delivering courses that will address the government's strategies and priority sectors for growth and/or meet the needs of local employers and regional economies as identified through one or more of the following:

- The needs of local employers and regional economies, as identified in LSIPs.

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<sup>8</sup> Permissible capital expenditure on software includes the purchase of operating systems and/or substantial applications packages, including where licence, update and maintenance charges are rolled up into the up-front cost and not separately charged over the expected life of the product – that is, where the product has been purchased outright. However, software licences and maintenance expenditure incurred on a periodic basis are not allowable as capital expenditure and should instead be treated as revenue.

- Skills England's initial priorities as set out in autumn 2024 – these reflect the sectors for growth as identified in the Industrial Strategy and others earmarked as essential to the government's overall strategy. These 10 sectors are:
  - advanced manufacturing
  - clean energy industries
  - creative industries
  - defence
  - digital and technologies
  - financial services
  - life sciences
  - professional and business services
  - construction
  - health and social care.

54. As part of this capital funding process, we are seeking to be able to demonstrate the value of the funding that we are distributing. As such, Questions 1a, 1b and 1c of the bidding template ask providers to supply quantitative information, which we can use as part of our evaluation of the scheme. While the information provided in these tables will be used primarily for reporting purposes, and not in our assessment of the bid, providers should make sure that the information provided does not contradict the narrative response provided in Question 1d.

### **Question 1a**

55. Question 1a asks providers to tick the box(es) that apply to their proposal, indicating that the funding will result in either:

- an increase in capacity of existing provision
- an increase in quality of existing provision
- an increase in the range of provision
- another benefit to their provision (provider to specify). This could include, for example, making time-critical capital investments in areas which have been under-resourced for some time.

### **Question 1b**

56. Question 1b asks providers to list the subjects (or subject areas) the funding requested will benefit, in addition to the mode (including whether the subject will be delivered flexibly and/or as part of a degree apprenticeship) and level of study. This question also asks providers to use the tick boxes to indicate where the skills gap has been identified, and provide a link to any relevant evidence (for example, a link to the particular section of their LSIP that the project will address).

57. Question 1b also asks providers to indicate:

- The current student numbers on the courses to benefit from the planned investment.
- Where appropriate, the number of additional students per academic year that will be able to be delivered to as a result of any funding. We appreciate that for a one-year funding scheme a bid may not be able to definitively outline future student number growth. As such, we request a well-reasoned estimate for the number of students that any funding could benefit. Where an estimate appears unusual, a credibility check will be raised in the workbook asking for a review of the figure entered.

### **Question 1c**

58. Question 1c asks providers to indicate which, if any, of Skills England's priority sectors (outlined in paragraph 42a) the project will address.

### **Question 1d**

59. Providers should use their narrative here to clearly explain how the funding sought will be used to directly support relevant facilities and capital works, and meet with one or more of the objectives and criteria set out in this document.
60. Bids should demonstrate a clear understanding of any employment needs and skills that their proposal intends to address, citing evidence where applicable. Bids should identify how the capital funding sought will directly support higher education provision that targets those needs and skills, or improves opportunities for self-employment. This should include a description of how the specific subjects (or subject areas) that the provider offers, or proposes to offer, will meet those employment and skills needs, which the capital project will support.
61. Higher-scoring bids will provide details of focused capital investments with credible information and evidence to support their case. Lower-scoring bids will provide more generic or limited information, with insufficient evidence about how the capital expenditure will meet the aims and objectives of this scheme. Although this criterion does not limit the subject areas in which providers may be looking to bid for funding, we will likely award higher scores to bids with provision that requires specific facilities and equipment for learning and teaching, particularly where these are relevant to the skills needs of employers locally or nationally.

## **Criterion 2: Value for money, project and risk management, and environmental sustainability**

62. Bids should set out clearly how the project will provide value for money, will address environmental sustainability and how the project and any associated risks will be well managed. This criterion is an important factor in relation to our general duties in section 2 of HERA.<sup>9</sup>
63. We will not support bids that score less than 3 (Satisfactory) for this criterion (see Table 3).
64. This criterion will be primarily assessed using the data collected in Tabs 2a and 2b and the narrative questions in Tabs 2c and 2d of the bidding template. The responses provided in these

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<sup>9</sup> See [www.legislation.gov.uk/ukpga/2017/29/section/2/enacted](http://www.legislation.gov.uk/ukpga/2017/29/section/2/enacted), in particular our duty to have regard to the need to promote value for money in the provision of higher education by English higher education providers.

tabs should support, and not duplicate, each other. Further guidance regarding the information requested in these tabs is provided below:

### **Tab 2a: Funding and project plan**

65. Table 2a(i) asks providers to select whether the focus of the proposal is on a new build, refurbishment of existing facilities, the purchase of equipment, or a combination of these three categories.

66. Table 2a(ii) asks providers to give the following information:

#### **Key milestones (Column A)**

67. Bids should include details of key milestones for their projects. The following list is not exhaustive but, where relevant, we would expect to see information on the following:

- Any planning permissions – application and approvals
- Purchase orders placed
- Delivery of equipment and materials
- Design stages
- Construction – groundworks, main build, completion
- Installation of equipment
- Completion of project
- Facilities ready for use by students.

68. Information provided in Column A will form the basis of monitoring, for those bids that are successful.

#### **Items of expenditure (Columns B and C)**

69. Providers should detail the items of expenditure that funding will be spent on, split between those proposed to be purchased with OfS funding and those using other sources of funding.

#### **Proposed capital expenditure (Columns D to G)**

70. We are looking to understand how the OfS funding sought will contribute to the overall financing of a project, in financial year 2025-26. Providers should give details in Column D of values of monies from the OfS to be used for this project. The amounts entered in this column should relate to the items of expenditure outlined in Column B.

71. While we do not require match funding, Columns E and F ask providers to specify any other sources of finance and investment (as relevant). Column G and Rows 23 and 24 will automatically calculate total funding amounts. If the total cost of the project exceeds the maximum total funding that can be bid for, this will help us to understand how a provider will complete the project identified. We may also seek assurances over a provider's broader financial sustainability and any regulatory cases or actions using information we hold internally.

There must be no double-counting in attributing the same amounts of capital expenditure to OfS grant and income provided by any other public funds.

72. If the funding requested from the OfS includes any retention payments to contractors, this should be made clear in the row for March 2026 in Table 2a(ii). Providers should set out an estimate of the value of the retention payment and give a date for when this is likely to be paid in full. Successful bidders will be required to provide evidence of the agreement for this payment as part of our monitoring of the project.
73. If any information is required to support the qualitative data provided in Table 2a(ii), this can be provided in the response for Question 2c regarding value for money.

#### **Tab 2b: Project risks and mitigations**

74. Table 2b should outline the risks to the project, how the provider intends to mitigate and manage the risks, what the impact would likely be should the risk materialise, and what the alternative course of action would be should it occur.
75. Providers should give details of any dependencies that would impact the project. For example, if delivery of the project is contingent on planning permission being granted, this should be included, with information on what stage the application is currently at, when a decision is expected, and a contingency plan if planning is not granted.
76. We would also expect this table to provide details regarding the management of any disruption to students during term time.

#### **Tabs 2c and 2d: Narrative questions**

77. Providers should use the narrative response to Question 2c to provide further detail and context to the data provided in Tabs 2a and 2b. The following list is not exhaustive, but we expect providers to use this section to provide details on the following:

##### **The benefits of the funding**

78. How proportionate the OfS contribution is to the benefits that the project will bring to students, graduates, employers and others. The response to Question 2c should provide a commentary outlining the relationship of the funding requested to the benefits described under Criterion 1.
79. The extent to which the focus of the capital expenditure is on enhancing facilities for higher education teaching and learning, as opposed to wider benefits, such as for example for research, or for teaching at further education level.
80. The additionality that OfS capital funding would bring to the project.

##### **Project and risk management**

81. This aspect of Criterion 2 relates to us having sufficient confidence that the provider will be able to manage public funding effectively throughout the project. This includes management of all aspects of the project, from planning and procurement to delivery, ensuring that risks are well-managed and that the provider is both ready for the money and able to spend it all in the time available to March 2026.
82. Bids should detail the governance and management arrangements for the project. Higher-scoring bids will set out clearly how the project will be managed (including, if appropriate,



across any collaborative partners). Where appropriate (for example, where bids relate to the construction, refurbishment, expansion or adaptation of premises), bids should explain how the provider will review progress, and how it will identify and address emerging risks to the success of the project. This could include, for example, a description of how issues such as progress and risk will be reported upwards to senior management and the governing body.

83. Bids should provide information on procurement, tendering and contract administration, such as tendering procedures for expensive items, or procurement consortia.
84. Bids should provide a commentary regarding the roles and contributions of any local or collaborative partners involved in the capital project, and how the relationship between these partners and the lead bidder will be managed.

### **Environmental sustainability**

85. The government is committed to reducing energy use in new and existing buildings to meet the legislative net zero greenhouse emissions target by 2050. We are therefore seeking assurance that providers have considered practical solutions towards achieving environmental sustainability as part of their bid. As such, we have a standalone question in which we expect bidders to outline and evidence their approach to environmental sustainability as part of their proposed project. This question will contribute to the overall score for Criterion 2.
86. Providers should demonstrate that they have explored potential options as part of their response to Question 2d. For example, where the refurbishment and construction of buildings is concerned, we are interested to understand how the project (and our investment in it) will help reduce energy usage.
87. We are interested to understand how the use of new technologies affecting the pace, place and mode of course delivery may help to reduce energy use (by the provider and student) and how the provider has assessed this. We are not seeking general information of a provider's commitment to and policies for environmental sustainability – the information must be focused on the specific project and the capital works.

## **Approach to scoring and prioritisation for capital funds distributed through the competition**

88. We will score each criterion on a scale of 0 to 6 according to the scale set out in Table 3.

**Table 3: Scoring of criteria for capital bidding competition**

Score		Description
6	Excellent	Very clear, well-reasoned and evidenced explanation of how the bid meets the criteria and objectives. No material weaknesses in explanation or the evidence referred to or provided. Bid provides full confidence that funding can be well managed and project completed in time.
5	Very good	Clear, well-reasoned and evidenced explanation of how the bid meets the criteria and objectives. Only minor gaps in explanation or the

Score		Description
		evidence provided. Full confidence provided that funding can be delivered and project completed in time with only minor risks.
4	Good	Clear explanations and evidence provided for how the bid meets the criteria and objectives, albeit with a lack of rationale in places. Some gaps in evidence referred to or provided, but not material. General confidence in delivery but with less assurances provided to justify a higher score.
3	Satisfactory	Basic explanation and evidence provided for how the bid meets the criteria and objectives. Some gaps in evidence referred to or provided, but not material enough for a lower score. Lower confidence that bid can be delivered.
2	Unsatisfactory	Very basic and limited explanations and evidence provided for how the bid meets the criteria and objectives. Substantial gaps in the evidence referred to or provided. Low confidence that project can be delivered and likely to be higher risks of slippage.
1	Poor	Minimal evidence and explanations to support the bid. Does not meet the criteria or objectives in a clear and reasoned way, with limited detail set out. Little substantive evidence provided to support the bid. Limited confidence that project can be delivered and very likely to be higher risks involved in multiple areas.
0	No score	No explanation of how the bid meets the criteria and objectives, and/or no evidence provided to support significant elements of the bid. Proposal contains substantial and material inconsistencies or significant weaknesses across the content provided. No confidence that project can be delivered.

**89. Irrespective of the score for Criterion 1, we will not support a bid that scores less than 3 under Criterion 2 (value for money, project and risk management, and environmental sustainability). The assessment criteria will be individually scored, and bidders should ensure that each criterion is fully addressed in the template.**

90. We will aim to support a broad group of providers with funds that can have a material impact on the availability of facilities and equipment to support high quality provision and that collectively will meet the objectives and priorities for this process. There will, though, be a balance to be struck in determining how many bids we are able to support and the levels of grant we are able to provide, against the quality and volume of the proposals we receive.

# Annex A: Capital grant payments, conditions and monitoring

1. We expect to confirm the outcomes of the bidding competition to individual providers in September 2025. We will then publish, later in autumn 2025, an overview of the process and outcomes, alongside the formula capital funding allocations. We will not routinely provide individualised feedback on unsuccessful bids, but our publication will provide a general summary of what made for a successful proposal.
2. Capital funding is provided on a financial year basis. Providers must use capital grants in full within the relevant funding period for which they are provided (in this case, 1 April 2025 to 31 March 2026). OfS funding must not be used for advance payments to contractors, or other financing arrangements (such as bonds) where payments precede production of goods or delivery of services.
3. Money spent in the financial year ending 31 March 2026 includes contractually committed expenditure that is clearly identified as such within the provider's finance system as at 31 March 2026 – that is, in accounting terms, you would expect to be able to accrue for this expenditure to reflect the point at which the contractual commitment was made and that auditors could confirm this treatment if required.
4. Allocations of capital funding are provided to enhance the learning experience of higher education students at providers, by helping raise the quality of their learning and teaching facilities. Providers must use capital grants for this purpose, in particular to directly support relevant facilities in relation to one or more eligible projects. In addition, any capital grants awarded through the bidding competition must be used:
  - a. On expenditure items included in Table 2a(ii) of the bidding template for the provider's successful bid. We will expect to understand and to monitor exactly how the funds were spent.
  - b. In accordance with our general OfS terms and conditions of funding, as announced on an annual basis, along with any other terms and conditions that we may specify when we award the grant or through our monitoring of the projects.
5. OfS capital funding must be used for projects that focus on higher education teaching, and may be subject to audit. The OfS recognises, however, that it may be neither feasible nor desirable to create ring-fenced boundaries between higher and further education, or teaching and research facilities. For example, equipment purchased using OfS capital funds may be used by both higher and further education students or for both teaching and research purposes.
6. OfS capital grants may be used to contribute towards the costs of a capital project in combination with funding from other sources. However, there must be no double-counting in attributing the same amounts of capital expenditure:
  - a. To both OfS grants and income provided by any other UK or international public funds.
  - b. To both OfS formula-based capital grants and any other OfS capital grants for specific projects.

7. If our monitoring of a provider's delivery of its capital project does not give us confidence that a provider will be able to use all the relevant capital funding awarded within the funding period, and in line with the terms and conditions that apply, we may withdraw the offer of funding in whole or part. Such exceptional circumstances may include significant delays in delivery (for whatever reason) compared to the timetable set out in the provider's bid (or as may subsequently be agreed by us) or failure of the provider to engage to our satisfaction in any reporting and monitoring requirements.
8. The OfS will normally pay this capital funding according to a phased payment profile that should be set out in the bid template and will be confirmed in any grant award letter. As this is a one-year scheme, we do not expect to consider significant changes to payment profiles once funding commences. We will though consider any changes to profiles alongside our monitoring of the progress of the funded projects. We will not routinely make changes to profiles, so that we can avoid any errors in grant payments and ensure efficient and effective uses of resources at both the OfS and at providers. The payment profile will be informed by the profile of OfS funding completed in Table 2a(ii) of the bidding template.
9. During and at the end of the funding period, the OfS will request monitoring reports from providers to ensure that we are satisfied that spend is aligned to our terms and conditions of funding, and that the scope and scale of the project is being delivered as intended.
10. Providers must notify the OfS immediately of any changes in circumstances or scope of individual projects. Providers must send details of any proposed changes or expected delays to a project to [capitalgrant@officeforstudents.org.uk](mailto:capitalgrant@officeforstudents.org.uk) as soon as possible so that these can be reviewed and assessed by us without delay.

# Annex B: The OfS portal for capital funding bids for 2025-26

## Assigning yourself to the capital funding bids 2025-26 survey area

1. In order to submit a bid, you will need to be a registered user of the OfS portal, and assigned to the capital funding bids 2025-26 survey area. This area of the portal will be open by mid-July, so you should download the template from our website for completion, and when it is ready, upload it by the deadline – **1700 on 30 July 2025**.
2. If you have not registered on the OfS portal before, you will need to ask the nominated OfS portal user administrator at your provider to create an account for you. You will need to be assigned to the capital funding bids 2025-26 survey area by the nominated OfS portal user administrator at your provider. The user administrator can find guidance on how to add portal users to portal areas on the main portal login page. If you are the user administrator, please note that you will still need to assign yourself to the capital funding bids 2025-26 survey area.
3. You can view the user administrators at your provider by logging onto the OfS portal. Select 'My account' towards the right-hand side of the yellow banner, and then click, 'Activate an access key'. The names and contact details of the user administrators at your provider will be at the top of the page. If you are not registered and do not know who your user administrator is, please contact [portal@officeforstudents.org.uk](mailto:portal@officeforstudents.org.uk).

## Common issues with accessing the portal

### I cannot log in to the OfS portal

4. If you receive an error message while trying to log in, you may be entering the wrong email address or password, or your account may be locked. Ensure that the email address you are using is correct, and then request a new password using the link on the page. You should be sent a new password to your email address, which you will then be asked to change when you log in. You can also ask your user administrator to reset your password.
5. If this new password does not grant you access, it is likely that your account is locked. Contact your user administrator, who can unlock your account for you. It is advisable that you also request a password change at the same time. If you or your user administrator have any problems, please contact [portal@officeforstudents.org.uk](mailto:portal@officeforstudents.org.uk).

### The capital funding bids 2025-26 area has not appeared on my login page even after I have been assigned to it

6. Once you have been assigned, you may need to log out and then log back in to the portal for it to appear under 'Home'. This action should refresh the system.

### Completing your bidding template

7. The bidding template is provided as an Excel workbook on our website. You should not attempt to alter the format of the worksheets by adding or deleting columns or rows, except where this is specified. Only cells where data is required should be edited. The workbook is protected to ensure that the data submitted is accurate and is only entered into relevant cells. The

worksheets contain information critical to accurate loading of the bid and its data after submission; it is essential that this is preserved. We will not accept any templates that have been unprotected or altered.

8. We recommend that you do not copy and paste data into your workbook, as this can cause formatting issues. If you wish to copy and paste data, ensure that you use the 'Paste values' option. This will not copy the formatting of the data you are pasting and will preserve the formatting in the template.

### **Uploading your bidding template**

9. Once you have completed your bidding template, you will need to submit it to the capital funding bids 2025-26 area of the OfS portal. Submit the template as follows:
  - a. Navigate to the capital funding bids 2025-26 area on the OfS portal.
  - b. Click 'Upload' and select your workbook.
  - c. The workbook may take some time to upload if the portal is busy. The page will automatically refresh to show if your file is waiting to be processed, being processed, or has completed successfully.
  - d. Check below the status bar for the log of your submission. The 'Outcome' will display as a 'Success' if there are no issues with the uploaded workbook.
  - e. Check the 'Comments' to see whether your workbook has successfully uploaded.
10. Completed workbooks can be uploaded any number of times until the deadline for submission, when we will take the latest uploaded version as the final version.



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