Defence-related skills funding

Process and outcomes

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Summary

1. This document provides an overview of the process and outcomes for the distribution of defence-related skills funding by the Office for Students (OfS). It follows a competitive bidding round that ran between 12 February and 20 March 2026 where eligible higher education providers submitted proposals to us for assessment. We completed the review and decision-making process in May 2026.

2. We are funding 24 providers through this scheme. On 9 June 2026, we published on our website the funding allocations these providers are due to receive and details of the activities that each will be undertaking. This information was provided alongside a press release issued by the Ministry of Defence on the same day.[1]

3. These outcomes follow the process set out in our publication with the details of how to bid for the funding, 'Defence-related skills funding competition'.[2]

Action required

4. This publication is for information only and no action is required from providers.

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[1] See Defence-related skills funding competition - Office for Students. The government's press release is at: 24 universities and colleges awarded investment to boost student places and strengthen UK defence industry - GOV.UK.

[2] See Defence-related skills funding competition - Office for Students.

Introduction

5. In February 2026, the Ministry of Defence (MOD), through the Minister for Defence Readiness and Industry, and the Department for Education (DfE), through the Minister for Skills, issued a guidance letter to the OfS,[3] requesting that the OfS distribute up to £80 million to providers through a competitive bidding process with two strands: £50 million for growth in student numbers and programme delivery; and £30 million for capital investment.

6. Bids needed to set out credible plans to deliver growth in student numbers in Levels 4-6 computing and engineering subjects, with the aim of supporting defence industry relevant skills and specialisms. Proposals for capital funding needed to advise how the infrastructure and facilities would help to deliver growth in student places and would support students through their studies.

7. Providers could bid for either or both of the following funding streams:

   - **Programme funding** is available for the academic years 2026-27 to 2030-31. This funding is provided at £7,000 per place, to cover the costs of delivering higher cost provision in computing and engineering subjects.

   - **Capital funding** is available for the financial years 2026-27 to 2028-29, to support the growth in student numbers to be delivered. Providers were able to bid for up to a maximum of £2 million and a minimum threshold of £150,000 of this funding.

   Academic years run September to August; financial years run from April to March, and we will monitor delivery and spend on this basis.

8. The government's letter provided guidance on the types of criteria to be taken into account through the process. It specifically requested that, in order to protect against risks to national security, the OfS must take into account advice from the MOD on matters where the MOD holds or develops significant concerns, based on its knowledge of the selected higher education institution's research collaborations, funding avenues or other relationships. Having considered any such advice, the OfS may reject, suspend or rescind an award of funding where it considers this appropriate. This requirement constitutes a binding term and condition of funding throughout the scheme. The letter also stated that in meeting the objectives of the funding, providers must ensure that they comply with their free speech legal duties under the Higher Education (Freedom of Speech) Act 2023.

9. We have allocated this funding to 24 providers as follows:

   - £50 million programme funding to support up to 2,382 additional student places

   - £30 million capital funding for infrastructure and equipment investments to support growth.

[3] Available at Guidance from government - Office for Students.

Bidding competition

Criteria

10. We invited bids from eligible providers that were assessed against the following eight criteria across both programme and capital funding:

- **Criterion 1P:** How bids demonstrate that they will achieve an increase in the number of students in Level 4 to 6 courses in computing and engineering within the funding period to July 2031.

- **Criterion 1C:** How bids demonstrate, through their capital spending, that they will achieve an increase in the number of students in Level 4 to 6 courses in computing and engineering within the funding period to March 2029.

- **Criterion 2:** How the courses in which providers will expand capacity are relevant to careers in defence or associated industries, and aligned with Local Skills Improvement Plans.

- **Criterion 3:** How providers are currently engaging, or plan to engage, with the defence industry through their higher education teaching, research and other activities. Providers must also show how, in carrying out these activities, they are safeguarding their own institutional autonomy and taking steps to secure the free speech and academic freedom of staff, students, members and visiting speakers, as required by the Higher Education (Freedom of Speech) Act 2023.

- **Criterion 4:** How providers' approaches to defence-related higher education teaching or research align with the strategic objectives of the Defence Universities Alliance (DUA), and how they are currently supporting (or what will be in place to support) the following:

  - careers as part of a balanced portfolio;

  - defence and security teaching and research; and

  - collaboration with strategic partners and other relevant organisations.

  Wherever relevant, this will also include how the providers are (as required by the DUA Charter) taking robust and proactive steps to detect, and robustly resist, any foreign interference that attempts to subvert or negatively influence their institutional autonomy or the freedom of speech or academic freedom of their staff, students, members or visiting speakers.

- **Criterion 5:** How higher education providers are collaborating with other providers of defence-related training and skills, and any future plans to collaborate with defence technical excellence colleges.

- **Criterion 6P:** Whether the project and associated risks will be well managed, ensuring effective governance and oversight, and how the project's programme spending will provide excellent value for money during the funding period to July 2031.

- **Criterion 6C:** Whether the project and associated risks will be well managed, ensuring effective governance and oversight, and how the project's capital spending will provide excellent value for money during the funding period to March 2029.

Assessment of bids

11. We received 112 bids requesting a total of £384 million across both funding streams. Many of these bids offered excellent and exciting opportunities for students, employers and their regions, and evidenced potentially strong national and local impacts for defence-related industries, skills and partner organisations. Overall, the quality and clarity of the information we received made for an extremely competitive process. The majority of bidders were able to demonstrate credible plans for growth and clear links with the defence and related industries, and the range of partnership working both locally and nationally was impressive. Given the high number of fundable bids submitted against the amount of funding available for the scheme, it meant that the number of unsuccessful bids was significantly higher than the number of successful proposals.

12. Bidders completed and submitted an online template for assessment by the OfS. The template collected numerical data in a structured format about the provision and student numbers to be delivered, and requested details in a narrative format of how the growth would be achieved. The template also asked providers to set out, in a narrative format, an explanation of how their bid addressed each of the criteria; this included how the funding would be used for both programme and capital, the key milestones and deliverables, risks and mitigations, and governance and management. Proposals needed to demonstrate that public funding would be well managed and provide excellent value for money.

13. All bids were assessed by two internal assessors with the information provided under each criterion being scored from zero to four, as per the information and details in our bidding guidance document. Zero was the lowest score, and four the highest possible. This work produced a ranking order of the 112 bids received. Final decisions on the distribution of the funding were made by our Deputy Director of Enabling Regulation.

14. All providers that did not receive funding were informed of the criteria where their bids could have provided stronger evidence. Some of the main considerations and issues we found through our assessment and consideration of the bids were:

    - Sometimes the numerical data for student number delivery and growth was difficult for us to analyse and did not seem to correspond with planned cohorts across the intended years of study. In some of these cases, the supporting narrative was also unclear on how the student numbers would be delivered and if there was a credible plan to deliver growth. This made it difficult for us to effectively assess the growth and the ability to deliver it, and make an accurate calculation of the student numbers. Some bids did not clearly set out risk mitigations or contingency plans – for example, how commitments such as additional running and staffing costs would be sustained and resourced if the intended growth was not delivered in full.

    - There was sometimes a disconnect between the information provided for criteria 1P and 1C with the details set out against criteria 6P and 6C, as though these questions had been approached in isolation. This was often the case with the milestones, risks and planned expenditure for programme and capital. Higher scoring bids were generally able to maintain consistency between these answers and provide greater assurance on the delivery of growth and control of programme funding, and the management of capital expenditure.

- Under criteria 3 to 5 we sometimes found unclear information on strategic engagement and experience of working with the defence and related industries at either a national or local level, or a lack of clear understanding of the Defence Universities Alliance's aims and objectives. Some proposals acknowledged their lower levels of strategic engagement, collaboration and experience in working with the defence and related industries and provided wider examples of their partnership working. Some of these examples were effective in demonstrating a strong understanding of local skills needs, but we also found some examples to be too historic or not well aligned with the aims and objectives of the scheme.

- There was sometimes insufficient information on governance, management and oversight arrangements, and linked to these points, how our funding would be used to resource different milestones within the timeframe for spend. We found that under criteria 6P and 6C there could have been clearer explanations of how the proposed activities would provide value for money in relation to their volume and scope, and how they would add value for students, partners and the provider. Bids which more clearly set out credible plans for growth, and the benefits our funding would deliver against the criteria, scored more highly through the process.

- Sometimes we found that the capital project or investments did not seem to specifically support the delivery of growth but were instead aimed at upgrading equipment or infrastructure (without being clear on the benefits for additional students or how these activities would help to increase capacity).

- Information on risk management and mitigations was variable across proposals, as we have also found through our recent capital funding competitions. Some otherwise very promising bids included brief or underdeveloped risk registers which often contained few risks, or which lacked clear and credible mitigations for the risks identified. For more complex projects, often the mitigations seemed insufficient, which made it very difficult to justify providing public funding. This was particularly important given that, for example, delivering student number growth is not guaranteed and funding may need to be adjusted as a result.

15. Before our next funding competition, we will review the structure of our bidding template to see if changes will help bidders to provide clearer information for risk, mitigations and financing.

Free speech

16. Generally, we found that many bidders did not provide detailed or relevant information about their free speech mitigations under criteria 3 and 4 and the steps they take, or would take under this scheme, to resist foreign interference and maintain their autonomy. There was a range of information submitted against this topic, which varied in quality and clarity, and providers approached their information in many different ways. Often, a brief statement was included advising that the provider would maintain its free speech obligations under the Higher Education (Freedom of Speech) Act 2023 without providing details or examples that could have

been relevant. We also saw links inserted to provider webpages about their free speech duties, without clear supporting narrative information. Some proposals did not refer to free speech at all, or did so only in a cursory manner.

17. Where more details were provided in bids, we found that there was very good information on the structures and frameworks that individual providers use to protect free speech, the governance and oversight of these, and how the protection of free speech and academic freedom related to planned activities under this scheme. Some bidders clearly set out how they proposed to guard against foreign interference through their teaching and research activities, and the risks that may be involved in delivering this specific scheme. However, some otherwise promising bids lost marks under these criteria by not including clear information about their approach to protecting free speech or by missing this part of the criteria altogether. We maintained a consistent approach to this topic so as to be fair to all bidders and as such, we only considered the information which was set out for us in the proposals in line with the criteria.

Monitoring and delivery

18. Assessing the proposals against the criteria resulted in 24 successful bids across different types of eligible providers in England, including further education colleges. The assessment process achieved a regional spread of providers and activities that will have a material impact on growth in engineering and computing subjects, and that collectively meet the objectives and priorities for this scheme.

19. These funded providers will be monitored against their progress, risks and spend throughout the funding periods. Each provider in receipt of project funding has received and agreed to a grant award letter confirming that they are content to proceed with the activities as set out in their bids and will aim to deliver in line with the terms and conditions of this funding.

20. We will only pay the programme funding against the delivery of growth in student numbers, so that we can maintain close control of the grant, and will use HESA data to inform the baselines for and our ongoing monitoring of the growth. If any providers are unable to meet their student number targets, we are intending to redistribute funding to providers that are recruiting more students against their targets. In this way, we will aim to maximise the programme funding available for the scheme.

21. Capital funding allocations must be spent within each specific financial year (April to March), according to the regular terms and conditions for capital grants and government accounting rules. We will monitor the spend of capital funding during, and at the end of, each financial year to ensure compliance and that the investments and activities remain on track.

22. As this is a new scheme, we will work with the funded providers – and with the MOD and DfE – to understand how growth and activities are being delivered and the types of support being provided for students, partners and industry. We may refine our monitoring processes as the scheme develops. If our monitoring of the delivery of a project does not give us confidence that a provider can achieve its aims and objectives, we may withdraw all or part of the grant – this is in line with our obligation to protect public funding.

23. We look forward to working with providers and government to deliver this scheme and support new skills and training opportunities for students and employers, and successful collaboration between the higher education sector and industry locally and nationally.