



20 June 2005

Dear Vice-Chancellor,

### **Changes to the Overseas Research Students Award Scheme**

1. The four UK higher education funding bodies, working with Universities UK, have agreed to introduce a number of changes to the administration of the Overseas Research Students Awards Scheme (ORSAS). These will take effect from 2006-07. The scheme will continue to operate throughout the UK, and funding at the current level has been agreed by all four funding bodies for a further three years – from 2006-07 to 2008-09.

### **Background**

2. ORSAS was established by the UK government in 1979. Its aim is to strengthen the UK research base by attracting the best research students from around the world. Since 1980, over 24,000 awards have been made to students from some 90 countries (excluding EU countries). In line with current good practice the administrative changes described here will reduce the burden of the scheme on institutions.

### **Future arrangements**

3. Under the new arrangements the support, assessment and guidance provided by the ORSAS office and the ORSAS committee will no longer be required. The ORSAS committee has been disbanded and the ORSAS office will close on 31 August 2005. From September 2005 institutions will be invited to make the final selection of award holders themselves, within the limits of a ring-fenced grant provided for this purpose. This new arrangement will come into effect from the beginning of academic year 2005-06, when institutions will be responsible for selecting their ORSAS award holders for 2006-07. Selection will be made according to guidelines agreed by the funding bodies, with a view to maintaining the high standards of the scheme and its worldwide reputation for excellence. For institutions this change should imply little additional work beyond the formalisation of existing pre-

selection processes. Detailed guidance on how to achieve this will be provided by the funding bodies.

4. After the closure of the ORSAS office on 31 August this year award holders will liaise directly with the ORSAS officer in the institution where they have taken up or will take up their award. In turn the ORSAS officers will liaise directly with the relevant funding body on matters relating to the policy and funding of the scheme. A main contact from each of the funding bodies will be provided shortly. In the meantime the ORSAS office is concluding all outstanding matters with higher education institutions (HEIs), ensuring that all current ORSAS student records are up to date, and all invoices for scholarship money have been submitted to ORSAS for the 2004-05 academic year.

5. For academic year 2005-06 (beginning September 2005) institutions will not be required to submit invoices to the ORSAS office in relation to each award holder. Before the introduction of the new funding method (as outlined in the following paragraph), the funding bodies will implement transitional arrangements for funding the new 2005 scholarship award winners and continuing scholarship award holders during that period. Funding for all new awards taken up by July 2006 and all renewals will be paid directly to HEIs by the funding bodies and will not pass through the ORSAS office. Each of the four UK funding bodies will contact institutions by letter before 31 August with full details of the transitional arrangements to apply in their area.

6. From academic year 2006-07, when the new arrangements are fully implemented, institutions will not be required to submit invoices in relation to each award holder. Funding for all ORSAS awards will be calculated by formula and paid by the funding bodies directly to HEIs at the beginning of each academic year. The funding formula informing institutions' allocations will be based on funding for ORSAS awards received in past years and will be fixed for three years in the first instance. Allocations will be reviewed at three-year intervals, and will take into account trends in international postgraduate research student enrolments and related data. The scheme will be monitored by the funding bodies according to their established practices.

7. Details of the funding method may differ slightly between the four funding bodies, and full details will be provided by them to all institutions by 31 August 2005.

Yours sincerely,

David McAuley  
Director of Higher Education  
Department for Employment and Learning

Baroness Diana Warwick  
Chief Executive  
Universities UK