



THE GOVERNMENT REPLY TO
THE ELEVENTH REPORT FROM
THE HOME AFFAIRS COMMITTEE
SESSION 2008-09 HC 595

Bogus colleges

**Presented to Parliament
by the Secretary of State for the Home Department
by Command of Her Majesty**

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BOGUS COLLEGES

1. Insufficient quality assurance procedures on the part of the Department for Innovations, Universities and Skills for private educational establishments on the Register of Education Providers, which facilitated the issuing of student visas between 2005 and 2009, allowed bogus colleges to bring foreign nationals into the UK on fraudulent student visas. We are pleased that the UK Border Agency has recognised the deficiencies of this system and introduced more rigorous regulation of educational establishments sponsoring student visas under the Points Based System. However, we remain cautious about the UK Border Agency's ability to deal with this issue and will continue to monitor sponsorship arrangements once Tier 4 of the Points Based System has been fully implemented. (Paragraph 8)

2. It is difficult to ascertain a precise figure for the number of bogus colleges in existence. One method of forming an estimate is to look at the discrepancy between educational establishments listed on the previous Register of Education Providers, which provided the only means of obtaining a student visa until March 2009, and those listed on the register of sponsors under the points based immigration system, which has replaced the Register of Education Providers and requires more stringent checks of educational establishments' credentials. There are around 2,200 colleges which were on the Register of Education Providers but are not on the register of sponsors. Whilst failure to transfer from the Register of Providers to the register of sponsors does not automatically mean a college is "bogus", we suspect that a significant proportion of these colleges are not legitimate. (Paragraph 13)

3. Colleges not on the register of sponsors will no longer be able to facilitate student visas; however we are concerned about the number of illegal immigrants who may already have entered the UK on fraudulent student visas, the numbers of which could be in the tens of thousands. Firm enforcement action must be taken against any individual whose student visa has expired to ensure that they leave the country, as well as against those who have set up bogus colleges to perpetrate visa fraud. We have received no evidence that the Home Office has made adequate preparations to deal with this issue. (Paragraph 14)

We take prompt action against any sponsors suspected of abusing the system, or who we suspect are failing to meet their obligations under PBS. Where it is found that a sponsor's credibility is in doubt or where obligations are no longer being met, we will immediately suspend and/or revoke the sponsor licence. Where such action takes place, all relevant units in the UK and overseas are notified, in order for appropriate action to be taken against any migrants linked to that sponsor.

Where an application for leave to remain as a student is refused or leave is curtailed; the case is assessed against the harm criteria, referred to the applicant's region of residence and managed according to the principles of case ownership in operation in that region. The policy and procedures exist to curtail leave for those found to have been granted leave in association with a non-bona fide institution.

An example of the work carried out to ensure that critical action to conclude cases where curtailment has been carried out is the Case Ownership Unit in the North East, Yorkshire and the Humber region. This team owns and actively manages cases until conclusion, either by those whose leave has been curtailed consenting to leave

voluntarily, or enforced removal should this be necessary. Once fully rolled out, eborders will augment this approach, allowing us to further target those who have not yet departed the country or successfully applied for further leave.

4. We found no substantial evidence to corroborate the alleged link between bogus colleges and terrorist activity. The Pakistani nationals who entered the country on fraudulently-obtained student visas and who were arrested in Operation Pathway in April 2009 were subsequently released without charge. As far as we are aware, foreign students involved in previous terrorist plots have entered the UK on genuine student visas. Our evidence suggested that most individuals entering the UK on fraudulently-obtained student visas do so in order to work illegally. (Paragraph 16)

5. New arrangements for issuing student visas under the points based immigration system do appear to provide a more effective means of countering bogus colleges because of the requirement for independent accreditation coupled with the UK Border Agency's inspection regime. However, we are deeply concerned to hear that advance notice of inspection visits has been given in up to 85% of cases. This is unacceptable and does not give us any confidence in the rigour of the inspection regime in combating bogus colleges. The UK Border Agency should ensure that sufficient resources are provided to allow for rigorous and, critically, unannounced inspections. Any change in college ownership should require the college to be reaccredited. (Paragraph 22)

There are currently 125 visiting staff based within Sponsor Management Units around the UK who undertake visits as part of the licensing process and following the issue of a licence. These visits can either be announced or unannounced depending on the circumstances of the case. For post-licensing visits we will increase the number of unannounced visits to a minimum of 50% from 21 September.

Our policy is, on an intelligence driven basis, to re-assess colleges when ownership changes. Our processes are designed to ensure that any critical change such as this is investigated and acted upon in a timely manner. It is also our policy that re-accreditation by an external independent body should occur when there is a change of ownership of a college.

6. In addition, we note concerns amongst the education sector about the credentials of one of the accrediting bodies, the Accreditation Service for International Colleges. We understand the UK Border Agency is currently conducting a review of accrediting organisations, but the allegations are very worrying, and we suggest that they look closely at these allegations and request they make the results of the review available to us as a matter of urgency. (Paragraph 23)

7. We are extremely disappointed that the Government has ignored repeated warnings from the education sector about the problem of bogus colleges. While the new sponsorship system under the points based immigration system should help to prevent bogus colleges, we consider that a more complete means of prevention requires the compulsory regulation of private further education colleges and English language schools by the state. We therefore strongly recommend that the Government uses the Companies Act 2006 to restrict use of the term "college" in future to properly accredited institutions and instigates an inspection regime to enforce this. Alongside measures to tighten the UK's immigration controls, this would protect EEA, as well as non-EEA, students from receiving sub-standard education at unregulated private colleges, which is highly damaging to the UK's international reputation for education and therefore the UK economy. (Paragraph 27)

We take the issues of bogus colleges very seriously and this is reflected both in the introduction of the new sponsorship system and developments in consumer protection.

In February 2007, we published the consultative document “Implementation of Companies Act 2006”. During the consultation, and since, it was proposed that “college” should be added to the list of prescribed words. Having considered the arguments, we do not intend to add “college” to the list of words for which the Secretary of State’s prior approval is required for their inclusion in either the registered name of a company or Limited Liability Partnership or any person’s business name. However, a new offence under the Companies Act 2006 of carrying on business under a name that gives so misleading an indication of the nature of the business’s activities as to likely to cause harm to the public came into force on 1 October 2009. This provides an additional tool to address the problem of bogus colleges and misuse of the term “college” more generally.

8. We recommend that the Department for Business, Enterprise and Skills devises a system to make better use of intelligence provided by college networks, such as the Association of Colleges, to close down bogus colleges. We intend to revisit this issue once Tier 4 of the Points Based System has been fully implemented. (Paragraph 29)

We note the Committee’s recommendation. We have begun work with sector bodies to raise awareness of and further develop the mechanisms that exist to report concerns and present evidence about possible bogus colleges.

9. Foreign nationals who apply to study in the UK in good faith but find themselves to be the victim of a scam on arrival also provide a valuable source of information about bogus colleges. However, these individuals may fear that reporting such establishments to the authorities would result in the closure of the establishments and lead to the students’ status becoming that of illegal immigrants. As they have entered the UK illegally, however unwittingly, such individuals should not be allowed to remain; but to encourage greater reporting, those who do come forward with information should not be precluded from making successful immigration applications in future. (Paragraph 30)

A foreign national who provides information about a bogus college is not precluded from making a successful application in the future.



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