



House of Commons
Home Affairs Committee

Bogus colleges

Eleventh Report of Session 2008–09

Report, together with formal minutes, oral and written evidence

*Ordered by the House of Commons
to be printed 14 July 2009*

The Home Affairs Committee

The Home Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Home Office and its associated public bodies.

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The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk

Publication

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/homeaffairscom. A list of Reports of the Committee since Session 2005–06 is at the back of this volume.

Committee staff

The current staff of the Committee are Elizabeth Flood (Clerk), Eliot Barrass (Second Clerk), Elisabeth Bates (Committee Specialist), Sarah Harrison (Committee Specialist), Darren Hackett (Senior Committee Assistant), Ameet Chudasama (Committee Assistant), Sheryl Dinsdale (Committee Assistant) and Jessica Bridges-Palmer (Select Committee Media Officer).

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Bogus colleges

Background to the inquiry

1. Unlike publicly-funded further education colleges and universities, private educational establishments are not subject to regulation by the state.¹ This allows for the relatively easy foundation of further education colleges and English language schools, many of which are legitimate and effective providers of education but, in some cases, they have been established for other purposes. In the context of this Report, the term “bogus college” refers to an illegitimate educational establishment set up primarily to enable non-European Economic Area (EEA) nationals to come to the UK on fraudulent student visas. However, lack of regulation also allows for the existence of colleges that are of “very poor quality and are ripping off students who believe that they are coming for a genuine educational experience”.²

2. The phenomenon of bogus colleges was widely reported in the media in the spring of 2009, in particular in *The Times* newspaper in connection with eight Pakistani nationals arrested in April 2009 under terrorism laws in Operation Pathway. These students were later found to be in the UK on student visas fraudulently facilitated by an organisation calling itself a “college” but providing extremely limited teaching facilities for the number of students on its books. *The Times* reported that those running the scam charged at least £1,000 for admission places and fake diplomas and £2,500 for false attendance records, diplomas and degrees that were used to extend the student visas, enabling them to stay in Britain for longer.³

3. We investigated this phenomenon and measures taken by the Government to ensure that student visas are only issued to foreign nationals coming to the UK for the purpose of genuine study and regulation of colleges. To this end we took evidence on 2 June 2009 from Mr Nick Lewis, of the Association of Colleges, which represents further education colleges; Mr Tony Millns, Chief Executive of English UK, which represents accredited English language schools in the UK; and the Minister of State for Borders and Immigration, Phil Woolas MP, along with the National Lead for Economic and Family Migration at the UK Border Agency, Mr Jeremy Oppenheim. Information provided by these witnesses indicated that it would also be useful to take evidence from the Department for Business, Innovation and Skills. We therefore questioned the Minister for Further Education, Skills, Apprenticeships and Consumer Affairs, Kevin Brennan MP, on 16 June 2009. We also received written memoranda from Universities UK, the Pakistani High Commission in London, the Home Office and the Accreditation Service for International Colleges. We thank all those who contributed to our inquiry.

¹ Q 9 [Tony Millns]

² Q 16 [Tony Millns]

³ “Sham colleges open doors to Pakistani terror suspects”, *The Times*, 21 May 2009, <http://www.timesonline.co.uk>

Regulations governing the issuing of student visas

4. Between January 2005 and March 2009, only overseas students who could show that they had a place to study, or were already studying at an institution which appeared on the Register of Education Providers (REP) operated by the then Department for Innovation, Universities and Skills (DIUS) were granted entry clearances or extensions of stay as students. Institutions that were publicly funded, inspected and audited, and those private institutions which underwent voluntary accreditation and inspection by the British Accreditation Council, the English in Britain Accreditation Scheme administered by the British Council, the Adult Learning Inspectorate, the Association of British Language Schools or the Education and Training Inspectorate Northern Ireland, were automatically entered onto the REP.

5. Private institutions without accreditation were also able to get on the REP by providing evidence of their registration as a legal business with Companies House; details of their staff and staff qualifications; floor plans to show classrooms and other facilities; and a copy of their prospectus to give an indication of the teaching they provided.

6. The Home Office carried out inspections of colleges on the REP: 1,200 were visited ahead of the Register being implemented, of which 25% were found not to be genuine, and a further 69 colleges were removed from the Register following visits from UK Border Agency compliance officers.⁴ However, the UK Border Agency admitted that the Register was not effective enough at preventing bogus colleges:

With the benefit of experience and hindsight, the lack of quality assurance is a weakness to the current REP. The Home Office is concerned that an unknown number of private institutions are operating largely to provide low quality teaching to those wishing to enter or remain in the UK as students whilst working illegally. At present, the BIA's resources for student compliance are largely occupied with carrying out reactive, intelligence-led visits to suspect colleges on the REP. Whilst many such colleges have been shown not to be bona fide and subsequently removed, it is obvious that the BIA's resources might have been used more proactively if such colleges had not been allowed to enter onto the REP in the first place.⁵

7. The UK Border Agency has attempted to respond to these concerns by introducing a greater level of regulation of educational establishments under the new points based immigration system. The phased implementation of Tier 4 of the Points Based System, which covers students, began in March 2009. International students are only able to apply for a visa under the new system if they are sponsored by an accredited further or higher education institution. In order to sponsor students, institutions need to register with—and be approved by—the UK Border Agency and in addition prove that they hold valid accreditation from one of the UK Border Agency-approved educational accreditation bodies, namely, Accreditation UK, the British Accreditation Council, the Accreditation

⁴ UK Border Agency, *Accreditation of Private Educational Institutions Involved in Recruiting International Students under the Points Based System*, Regulatory Impact Assessment, July 2007, p.4

⁵ *Ibid*, pp.4–5

Service for International Colleges, Association of British Language Schools, the Church of England Ministry Division or Ofsted.⁶ The UK Border Agency has argued that:

The effect of demanding independent accreditation will be to assure the Home Office that an institution is genuinely providing education rather than offering low quality courses for the purposes of facilitating applications by bogus students.⁷

8. 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.

The extent of the bogus college phenomenon

9. *The Times* newspaper reported on 21 May 2009 that “thousands of young Pakistanis exploited a hole in Britain’s immigration defences to enrol as students at a network of sham colleges”.⁸ It stated that the eight terror suspects had enrolled at one college, which had only three small classrooms and three teachers but 1,797 students on its books. The article added that another college claiming to have 150 students had secretly enrolled 1,178 and offered places to a further 1,575 overseas applicants, 906 of them in Pakistan.⁹

10. The Minister of State for Borders and Immigration told us that the Home Office issues around 200,000 student visas each year. Witnesses were unable to give an accurate estimate as to how many of these students entered the country via bogus colleges but the Chief Executive of English UK, Tony Millns, said “it could be tens of thousands quite easily”.¹⁰ He thought that the majority of these students would be registered for English language, computing, IT and business courses.¹¹

11. We attempted to ascertain the number of bogus colleges in existence. The previous Register of Education Providers listed approximately 15,000 education and training organisations, about 4,000 of which consistently offered courses to foreign students. The UK Border Agency has licensed 1,594 educational establishments as sponsors under Tier 4 of the Points Based System.¹² This seems to imply that around 2,200 colleges on the REP which were enrolling foreign students have either not applied to be sponsors under the

⁶ Q 72 [Jeremy Oppenheim]

⁷ UK Border Agency, *Accreditation of Private Educational Institutions Involved in Recruiting International Students under the Points-Based System*, Regulatory Impact Assessment, July 2007, p.4

⁸ *Sham colleges open doors to Pakistani terror suspects*, *The Times*, 21 May 2009, <http://www.timesonline.co.uk>

⁹ *Ibid*

¹⁰ Q 7 [Tony Millns]

¹¹ Q 14

¹² Ev 25 [Home Office]

new system or have not been approved. Commenting on these figures, the Minister of State for Borders and Immigration said:

One could draw the conclusion ... that the difference is dodgy. I would caution against saying all of those are dodgy. Some have chosen not to apply perhaps for commercial reasons, but that would be my guess.¹³

12. Individuals who “facilitate the commission of a breach of immigration law by a non-EU citizen” can be prosecuted under the Immigration Act 1971. Between 2003 and 2007 253 cases presented to Magistrates Courts in England and Wales and 62 individuals were found guilty of this offence. There were 518 cases sent to trial at Crown Court in England and Wales in the same period and 387 individuals were found guilty.¹⁴

13. **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.**

14. **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.**

The alleged terrorism link

15. Coverage of bogus colleges in *The Times* suggested that there was a link between visa fraud and terrorism.¹⁵ However, no substantial evidence has been put forward to validate these claims either from the paper itself or the police. In the first instance, all of the Pakistani students alluded to were released without charge. The Minister of State for Borders and Immigration told us that previous terrorism attacks in the UK involved individuals on “genuine” student visas. He said:

Our experience is that terrorists are not going to draw attention to themselves, but the student visa route has been in the past, I believe, as I have said honestly this

¹³ Q 63 [Phil Woolas MP]

¹⁴ Ev 25 [Home Office]

¹⁵ *Sham colleges open doors to Pakistani terror suspects*, *The Times*, 21 May 2009, <http://www.timesonline.co.uk>

morning, subject to abuse. I personally have never seen any information or intelligence that suggests that terrorists or would-be terrorists have used that route. Commonsense says that you are going to get a valid visa if you are intent on criminal activity.¹⁶

According to Mr Millns, the suggestion that those planning terrorism acts might deliberately use bogus colleges to enter the UK was “perfectly possible”, but he considered that the vast majority of bogus students are “disguised economic migrants ... here to work illegally”.¹⁷

16. 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.

Home Office initiatives to tackle bogus colleges

17. Witnesses were in agreement that the new register of sponsors under the Points Based System would go a long way to tackling the problem of bogus colleges.¹⁸ The Minister for Further Education, Skills, Apprenticeships and Consumer Affairs summarised:

The new system which is in place will make sure that bogus institutions will find it very difficult indeed, if not impossible, to be able to register and to bring in students from outside the EEA.¹⁹

In the process of drawing up the register of education sponsors, the UK Border Agency rejected applications from over 300 institutions, “many of them bogus colleges”.²⁰

18. However, *The Times* reported on 15 April that “hundreds of colleges recently approved by the Home Office to accept non-EU students have not been inspected by its officers”.²¹ It went on to state that “it has also emerged that the vast majority of non-EU students will not be interviewed by the Home Office but admitted on the basis of written applications and evidence of sponsorship”. *The Times* article notes that “advance notice was given of the periodic Home Office visits made after the college [of which the eight arrested men were students] opened, so there was always time to make sure associates and employees were sitting studiously in a classroom when an inspector arrived”.²²

¹⁶ Q 69

¹⁷ Q 15

¹⁸ See for example Q33 [Nick Lewis]

¹⁹ Q 119

²⁰ Ev 23 [Association of Colleges]

²¹ “Former pub became the centre of a web of bogus colleges”, *The Times*, 21 May 2009, www.timesonline.co.uk

²² *Ibid*

19. We put this to the National Lead for Economic and Family Migration, Mr Oppenheim. He told us:

Nobody gets on the register without two processes going on: firstly, accreditation by one of the academic accreditation bodies ... and, secondly, we need to assess whether the college is taking note of, understands and applies the immigration rules as they are expected to do. That does not mean that we have visited every single one of the establishments. There is for me a difference between visiting King's College Cambridge and [the fictional] King's College on Cambridge Heath Road, Bethnal Green, to put it bluntly.²³

He said that the UK Border Agency would have visited all of the establishments on the register by July 2009. As of June 2009, 705 institutions had been visited, 100 of which visits were unannounced.²⁴ We note that 705 is less than half the total of establishments registered to admit foreign students. Even omitting well-known educational establishments, it seems unlikely that all those on the register that need to be inspected will have been by the end of July 2009.

20. We were also made aware of concerns in the education sector about one of the accrediting bodies, the Accreditation Service for International Colleges, by Baroness Warwick, the Chief Executive of Universities UK:

ASIC did not exist in terms of a web presence until its approval as an accreditation body was announced in July 2007 and despite repeated requests by Universities UK officers to civil servants there is a lack of information and transparency about its management governance and financial structures. Its website provides no inspection reports for its accredited colleges or a list of its inspectors. Several of the colleges that it accredits have been associated with inappropriate activities. Universities UK did not receive a reply from the Minister.²⁵

We put this to our witnesses. Mr Millns said:

If you look on Companies House I think it is difficult to see who the ultimate beneficial owners of that organisation are ... it is certainly the case that the accreditation bodies that have been approved need to be reviewed and there needs to be a lot more rigorous work done on ensuring that they are making decisions based on the same standards, which I personally do not believe they are at the moment.²⁶

The UK Border Agency is currently undertaking a review of accrediting organisations and will report in due course.²⁷

21. In response to the concerns expressed by Universities UK, Maurice Dimmock, the Chief Executive of ASIC, denied that his organisation is less transparent than other

²³ Q 79

²⁴ Ev 25 [Home Office]

²⁵ Ev 21 [Universities UK]

²⁶ Q 45

²⁷ Q 139

accreditation bodies and argued that “any behaviour by colleges which ASIC has considered to be inappropriate or suspicious in any way has regularly been reported to UKBA, leading in some cases to the college being closed”.²⁸ In one instance, their suspicions had been aroused following a change in ownership of the college after accreditation had taken place. We were concerned that UKBA did not require re-accreditation in such circumstances.

22. 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 re-accredited.

23. 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.

BIS initiatives to tackle bogus colleges

24. As well as enabling the breach of immigration controls, the existence of bogus colleges is highly damaging to the British education system as a whole. Mr Millns told us:

Internationally, the UK’s reputation for quality in education is its key selling point. It is why international students come here. Colleges which are bogus, or simply poor quality because they are not quality assured in any way through accreditation, damage that reputation of quality so all legitimate institutions suffer ... International students bring in around £8 billion a year to the UK and they are growing. We have just looked at our first quarter statistics for 2009 for our core group as against the first quarter of last year and it is 14.6% up on the first quarter of 2008.²⁹

The Association of Colleges argued that current Home Office action to deal with the problem of bogus colleges is “welcome but is possibly inefficient”.³⁰ Mr Millns argued that the government department responsible for further and higher education, now the Department for Business, Innovation and Skills, should do more to tackle the issue of bogus colleges:

I would not say in front of the Home Affairs Select Committee that this is entirely the Home Office’s fault. It has always struck me as extremely strange ... that the

²⁸ Ev 27

²⁹ Q 17

³⁰ Ev 24 [Association of Colleges]

Education Departments ... have never made a move in any way to license, accredit or quality assure private sector education establishments. In fact, I would go so far as to say that it is a national scandal that nothing has ever been done.³¹

25. The Government has been made aware of this concern several times. Nick Lewis, of the Association of Colleges, said that he had raised the issue “on many occasions” with Ministers since 1999, when he was appointed to an inter-departmental group established to support the Prime Minister’s initiative for the recruitment of international students and international education contacts.³² When we put this to the Minister for Further Education, Skills, Apprenticeships and Consumer Affairs, he responded:

I do take seriously what the Association of Colleges and English UK are saying about the potential continued existence of bogus colleges ... There is a case to look at now and possibly to consider some further steps in relation to these institutions which may still be attracting students from countries within the EEA and still may not be providing the sort of education which they should be providing, if they were legitimate institutions.³³

26. One solution proposed by the Association of Colleges was to use the Companies Act 2006 to restrict use of the term “college” in future to properly accredited institutions, in the same way in which the term “university” is restricted:

It is open to the Department of Business Enterprise and Regulatory Reform [now the Department for Business, Innovation and Skills] to add the word “college” to their list of regulated words in the establishment of companies and that would be a long-term impact to restrict and slowly reduce the number of organisations that care to call themselves a college.³⁴

The Minister undertook to investigate this suggestion.³⁵

27. 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.

³¹ Q 9

³² Q 11

³³ Q 121

³⁴ Q 25 [Nick Lewis]

³⁵ Q 129

28. Legitimate educational establishments are often aware of bogus colleges operating in their area; for example, during our inquiry we were made aware that Liverpool John Moores University had alerted the UK Border Agency to its concerns about a bogus college in Manchester through which some of the Operation Pathway suspects had obtained visas. However, there are no formal systems in place for them to share this intelligence with the relevant authorities. Mr Lewis told us:

The Association of Colleges has a regional set-up so that we have local intelligence across the cities and region. It tends to be pooling information in an informal way. We do not maintain a register of what we regard as bogus colleges internally, but we do network and we do have that information coming in, but ... we do not collect it systematically ... it is beyond our resources to do that ... We have attempted to put in information and so on as best we can. The more systematic this can be done the more easily we can help.³⁶

29. 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.

30. 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.

³⁶ Qq 49–50

Conclusions and recommendations

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)
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 re-accredited. (Paragraph 22)

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)
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)
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)

Formal Minutes

Tuesday 14 July 2009

Members present:

Mr Keith Vaz, in the Chair

Ms Karen Buck
Tom Brake
Mr James Clappison
David T. C. Davies
Mrs Janet Dean
Patrick Mercer

Gwyn Prosser
Bob Russell
Martin Salter
Mr Gary Streeter
Mr David Winnick

Draft Report (*Bogus colleges*), proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 30 read and agreed to.

Resolved, That the Report be the Eleventh Report of the Committee to the House.

Ordered, That the Chairman make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence was ordered to be reported to the House for placing in the Library and Parliamentary Archives.

[Adjourned till Wednesday 15 July at 2.00 pm]

Witnesses

Tuesday 2 June 2009

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Tony Millns, Chief Executive, English UK, and **Nick Lewis**, Association of Colleges Association Ev 1

Phil Woolas MP, Minister of State for Borders and Immigration, and **Jeremy Oppenheim**, National Lead for Economic and Family Migration Ev 8

Tuesday 16 June 2009

Kevin Brennan MP, Minister for Further Education, Skills, Apprenticeships and Consumer Affairs, Department for Business, Innovation and Skills Ev 16

List of written evidence

1	Letter from Baroness Warwick, Chief Executive, Universities UK	Ev 21
2	Association of Colleges	Ev 21, 24
3	Response from Phil Woolas MP, Minister of State, Home Office	Ev 25
4	High Commission for Pakistan	Ev 25
5	The Accreditation Service for International Colleges	Ev 26

List of Reports from the Committee during the current Parliament

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2008–09

First Report	Monitoring of the UK Border Agency	HC 77 (HC 381)
Second Report	The Police and the Media	HC 75
Third Report	The Work of the Committee 2007–08	HC 76
Fourth Report	Policing Process of Home Office Leaks Inquiry	HC 157
Fifth Report	Borders, Immigration and Citizenship Bill [HL]	HC 425
Sixth Report	Human Trafficking	HC 23–I
Seventh Report	Knife Crime	HC 217
Eighth Report	Cost of policing the G20 protests	HC 676
Ninth Report	Project CONTEST: The Government's counter-terrorism strategy	HC 212
Tenth Report	The Cost of Policing Football Matches	HC 676

Session 2007–08

First Report	The Government's Counter-Terrorism Proposals	HC 43
Second Report	Bulgarian and Romanian Accession to the EU: Twelve months on	HC 59
Third Report	Security Industry Authority	HC 144
Fourth Report	Work of the Committee in 2007	HC 226
Fifth Report	A Surveillance Society?	HC 58 (HC 1124)
Sixth Report	Domestic Violence, Forced Marriage and "Honour"-Based Violence	HC 263 (HC 1165)
Seventh Report	Policing in the 21 st Century	HC 364
Special Report	Unauthorised Disclosure of Draft Report	HC 196

Session 2006–07

First Report	Work of the Committee in 2005–06	HC 296
Second Report	Young Black People and the Criminal Justice System	HC 181 (Cm 7217)
Third Report	Justice and Home Affairs Issues at European Union Level	HC 76 (HC 1021)
Fourth Report	Police Funding	HC 553 (HC 1092)

Session 2005–06

First Report	Draft Corporate Manslaughter Bill (First Joint Report with Work and Pensions Committee)	HC 540 (Cm 6755)
Second Report	Draft Sentencing Guideline: Robbery	HC 947
Third Report	Draft Sentencing Guidelines— <i>Overarching Principles: Domestic Violence and Breach of a Protective Order</i>	HC 1231
Fourth Report	Terrorism Detention Powers	HC 910 (Cm 6906)
Fifth Report	Immigration Control	HC 947 (Cm 6910)
Sixth Report	Draft Sentencing Guideline: Sexual Offences Act 2003	HC 1582

Oral evidence

Taken before the Home Affairs Committee on Tuesday 2 June 2009

Members present
Keith Vaz, in the Chair

Tom Brake
Ms Karen Buck
Mrs Ann Cryer
David T C Davies
Mrs Janet Dean

Patrick Mercer
Gwyn Prosser
Bob Russell
Martin Salter
Mr David Winnick

Witnesses: **Mr Tony Millns**, Chief Executive, English UK, and **Mr Nick Lewis**, Association of Colleges (and Principal of Castle College, Nottingham), gave evidence.

Q1 Chairman: Could I bring the Committee to order for this one-off inquiry into bogus colleges. Can I begin by declaring my interest: my wife is a solicitor and a part-time Judge. Thank you very much for coming to give evidence today. This inquiry is a revisitation of a previous inquiry that the Select Committee conducted some years ago but is being conducted within the context of the new points-based system. The Committee was very concerned to see newspaper reports, especially those in *The Times* newspaper, about the number of bogus colleges that are in existence in England and Wales, and that is why we are holding this inquiry session. Following your evidence we will be hearing from the Immigration Minister, Mr Woolas. Could I start with you, Mr Lewis, perhaps both you and Mr Millns could within 30 seconds of giving your reply tell us a bit about your organisations so that the Committee is fully aware of your remit. Do you believe that there are many bogus colleges in existence and that there are many students who are in this country claiming to be students who are in fact not students at all?

Mr Lewis: There are and it has been something that my Association, the Association of Colleges, has been aware of for some time. It has been something of a problem because of the impact on the UK's reputation internationally and the reputation of our institutions.

Q2 Chairman: I wonder if you could tell the Committee how many colleges you think are bogus colleges and a rough estimate as to how many students you think are affected? It can only be a guess and an estimate based on information.

Mr Lewis: I could not hazard a guess on this particular one. I do not know whether my colleague could. Certainly my Association has 359 members and they are legitimate further education colleges in England whom we represent, but apart from walking down certain streets in London and seeing the college of this and college of that and so on, I do not have an estimate.

Q3 Chairman: Presumably you have followed this subject for a while because you alerted the Home Office to it. Are we talking about five, a handful, hundreds, just give us a rough idea?

Mr Millns: Perhaps I could help. English UK is the association of accredited English language centres which covers language centres in universities, further education colleges (and I am pleased to say Castle College, Nottingham is a member) and also the private sector, including charities and educational foundations and trusts. There are 421 members and 490 centres currently accredited under the accreditation scheme which we run with the British Council. However, we have been aware and have actually been campaigning for some 10 years or so on the issue of bogus colleges. We have a database of non-accredited English language centres in the private sector. That database covers some 560 institutions. Around 450 of those have not made any move to get accreditation and a significant proportion of those 100 or so that have made a move to get accreditation have failed because of low standards. You are left with around 450 colleges, not all of which are necessarily bogus, but, how shall I put it, would benefit from further investigation.

Q4 Chairman: Dodgy? Potentially dodgy?

Mr Millns: We cannot be absolutely certain that they are but the chances are, if they have not come forward for accreditation or made any move to gain it in the last four or five years particularly, when the Government has been making moves towards setting up the new register of sponsors, you do get the impression that a lot of them are probably sub-standard at the very least.

Q5 Chairman: So we are talking about roughly 450?

Mr Millns: Yes.

Q6 Chairman: Covering how many students?

Mr Millns: That again is extremely difficult to say. The whole problem with this area is that there is no Association of Bogus Language Schools to speak for them, so it is rather difficult to get a handle on it.

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Some of them are undoubtedly very small with possibly only 20 or 30 students, but the problem is that of course until the end of March this year they were, if they were on the Register of Education and Training Providers maintained by the Department of Innovation, Universities and Skills, able to bring in international students who required visas, and it is simply unknown how many of those students they might have brought in over the last four, five or six years.

Q7 Chairman: Are we talking about numbers of hundreds?

Mr Millns: It could be tens of thousands quite easily.

Q8 Chairman: There are tens of thousands of bogus students in this country at the moment?

Mr Millns: Quite easily.

Q9 Chairman: Have you raised any of these representations with the Home Office?

Mr Millns: The Home Office and the Border Agency are well aware of the scale of the problem. Over the some five years since 2004 when David Blunkett was Home Secretary and made the announcement that accreditation and a register would be required, they have been making moves. One has to say not before time. I would not say in front of the Home Affairs Select Committee that this is entirely the Home Office's fault. It has always struck me as extremely strange, to pick up the point that Nick made about reputation, that the Education Departments, going under various names way back to the Department of Education and Skills, have never made a move in any way to license, accredit or quality assure private sector education establishments. In fact, I would go so far as to say that it is a national scandal that nothing has ever been done.

Q10 Chairman: Have you written to the departments? You have written to government, have you?

Mr Millns: We have had many meetings with government departments.

Q11 Chairman: When was the first time this was raised, can you remember?

Mr Lewis: If I may, Chairman, in 1999 the Prime Minister Tony Blair established the first Prime Minister's Initiative for the recruitment of international students and international education contacts as part of a diplomatic and economic development visionary agenda. There was an inter-departmental group from the Home Office, Foreign Office, Department for Education and DTI as was at that time. I represented the Association of Colleges on that group in 1999 through to 2002 and on many occasions raised the issue of bogus students and bogus certificates and the way in which it was having a deleterious impact on the UK's reputation and the reputation of our universities and colleges.

Q12 Chairman: So this was first raised 10 years ago?

Mr Lewis: To my knowledge, I did so at an official meeting.

Q13 Ms Buck: You talked about sharing that information in general terms but is there a process now or has there ever been in which, for example, the particular point you made about colleges that have applied for accreditation and failed or colleges that have not applied for accreditation, that information being shared with the Home Office?

Mr Millns: Yes.

Q14 Ms Buck: That is a routine process that you will tell them or they will ask?

Mr Millns: It is becoming routine. There have been many developments over the last year or so since the Border Agency approved a number of accrediting bodies and there is a group chaired by Ofsted called the Accreditation Standards and Consistency Group, which is beginning the process of sharing some of this information, but certainly we have shared our database with the Home Office and the Border Agency so that they are aware. I must emphasise, Chairman, to go back to your point, that that database covers only colleges which offer English language courses. There is a whole field out there of independent tertiary colleges, some of which are accredited by the British Accreditation Council and some of which are accredited by a new body called the Accreditation Service for International Colleges, which provide other forms of course, mainly computing, IT and business studies, which also have international students. That is why I say the total number of students in private sector establishments over the last five or six years could be tens of thousands.

Q15 Mr Winnick: Do you think there is a danger, it has been expressed here and there, that those who have been recruited to terrorism will use entry into the UK to one of these bogus colleges, or perhaps a college which is not necessarily bogus, in order to carry out acts of terror in the UK? Do you put any credibility on those fears?

Mr Millns: I put credibility on it because it is perfectly possible. However, I do not think that it is anywhere near as prevalent as the simple fact that most bogus students are disguised economic migrants and that they are here to work illegally in fact.

Q16 David Davies: Mr Millns, my question was: are these students coming over here under the impression that they are getting some sort of an education or are they simply economic migrants who sign up for the package?

Mr Millns: Some will know that they are definitely the latter. One of the problems Nick and I were going to mention that "bogus college" is a bit of a portmanteau term and we do need to unpack it between the colleges which are totally bogus and are just fronts for visa fraud, basically, through to colleges which are very poor quality and are ripping off students who believe that they are coming for a genuine educational experience.

Q17 David Davies: And undermining your members' good names?

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Mr Millns: The major point that we would like to leave with you is that, internationally, the UK's reputation for quality in education is its key selling point. It is why international students come here. Colleges which are bogus, or simply poor quality because they are not quality assured in any way through accreditation, damage that reputation of quality so all legitimate institutions suffer. This is a major economic benefactor for the UK. International students bring in around £8 billion a year to the UK and they are growing. We have just looked at our first quarter statistics for 2009 for our core group as against the first quarter of last year and it is 14.6% up on the first quarter of 2008, which was our best year for many years. Show me another industry sector that is growing at 14.6% year-on-year. This is a very significant business for the UK. It is also very important in terms of our perception in the world because we are bringing over here people who go back to their countries and who become ministers, vice chancellors and opinion leaders. When I was at the University of London we knew that virtually everyone who came to do a PhD at the Institute of Education from other countries went back and became at least a vice chancellor or professor of education or minister of education in their own country. It is tremendously important for the UK's public diplomacy. Anything that damages that is very bad news for the UK.

Chairman: That is very helpful. Mr Davies?

Q18 David Davies: Again it is difficult for you to give me an exact figure, I appreciate that, but there are something like 15,000 of these institutions according to some of the figures that we heard earlier on, 1,848 private educational establishments and 13,200 institutions on the RETP, 15,000 in total. Let me just put a statistic to you that I was thinking about. There are 60 million people in this country that we know of, apparently. If you divide 60 million by 15,000 you end up with about 4,000 people. What that suggests is that there is one of these institutions for every 4,000 people. That is a village half the size of the rural town in which I live. Does that not suggest to you that thousands of these institutions are bogus, so it is not just tens of thousands of students?

Mr Millns: I am not going to defend the Register of Education and Training Providers. It was a stopgap measure and it had many flaws, but I am afraid you need to dig around behind the statistics that you have just quoted to understand that it is not quite as you put it, I am afraid. For instance, if you look at the register there are somewhere around 40 or 50 institutions on it which are HM Prisons. These are unlikely to be recruiting international students, I would venture, and they are not the sort of place that you or I would go for our adult training, so you can look at the register and you can narrow down to a relatively limited number, probably between 3,000 and 4,000 I would venture, of private sector educational establishments, which is really what I think you are talking about which are the potentially dodgy ones. You then have to look at how many are covered by current accreditation schemes and on the

register of sponsors and my very rough, back-of-the-envelope figures are that on the register of sponsors at the moment we have around 1,700 to 1,800 educational institutions so the gap there is 1,200 to 1,400, which is going back to my point that there are 450 which claim to do English language, the rest will be tertiary education colleges offering computing, IT and business studies, and those are the ones that I think emphasis should be focused on in terms of compliance with immigration.

Q19 David Davies: So that is a total of 2,200 that we should be looking at?

Mr Millns: A couple of thousand, very roughly.

Q20 Martin Salter: Two technical points, Mr Millns, you stated that students go back and make a positive contribution to their own countries.

Mr Millns: Registered ones do.

Q21 Martin Salter: Given the amount of cases that I deal with, and I have a fairly large immigration caseload, I have an awful lot of people who come here on student visas who then apply for permanent leave to remain. I wonder if you had any figures on that. Secondly, could I ask another technical point. You talked about bogus students coming over as economic migrants to work here illegally. Surely students are allowed to work up to a point, are they not? Can you just clarify that for the Committee.

Mr Millns: Students on what you might call full-time courses, typically degree courses, are allowed to work 20 hours a week during term time and full time in vacations. That is permitted.

Q22 Bob Russell: Gentlemen, earlier you described a decade of government indifference and failure to deal with issues that were raised with them. Mr Millns, I am going to ask, what advice does the British Council offer to overseas students wishing to study in the UK in respect of finding a suitable institution? Do you have any evidence that perhaps some of the British Council nominations have gone to some of these dodgy institutions?

Mr Millns: I think it is unlikely that the British Council would, shall we say, knowingly recommend a non-accredited college. If you look at the British Council website there is a list of accredited institutions, certainly for English language. There is a different arm of the British Council called the Education UK Partnership, which is, in effect, a commercial promotion arm, which relies on a subscription basis and recommends only the institutions which subscribe to it. Those are, however, all legitimate institutes, I have no doubt about that.

Q23 Bob Russell: Does the British Council offer friendly advice to potential students who may say, "We prefer this other institution because it is a lot cheaper and then we can do a bit of work on the side"?

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Mr Millns: The British Council offers a certain amount—and I have to tread carefully here because it is in fact reducing—of counselling of students who wish to come to the UK.

Mr Lewis: If I may say so, we would have no difficulty with the role that the British Council plays here and I think that difficult path that they tread that Tony has described is very useful to us. What I would like to do is draw attention to the difference between a lot of people coming into this country for English as a foreign language and the fact that many of our institutions, universities and colleges are running full-time programmes for higher national diplomas or diplomas in construction. We work with Toyota and we work with big employers, there are people coming here on legitimate education. The impact this is having on our reputation is terribly deleterious. We have just landed a United Nations contract to help set up technical colleges in Khartoum in The Sudan. That is part of this nation's diplomatic effort. We have a memorandum of agreement that has just been signed between the UK Government and the Saudis where a consortium of four FE colleges like ours is going to be working with that government to establish further vocational and technical training, established on the back of the Prime Minister's visit and the then Minister Bill Rammell's visit. It is hugely important diplomatically that we distinguish between so-called colleges and my members who are all further education colleges established by the 1992 Act and hence that is the reason that we are advocating that we use the Companies Act to restrict in the future the use of the word "college", as indeed the word "university" is restricted to those institutions, because part of this problem will not go away whilst anybody can set themselves up in a single room and call themselves a college. My members are trying to work very hard and bringing in huge amounts of invisible export income into this country—and Tony has given some examples of that—and taking part in a much broader diplomatic and economic effort on behalf of this nation. It is extraordinarily frustrating to us to have this problem on our doorstep.

Q24 Tom Brake: Just on that question of bogus colleges, I was very happy to be one of the MPs who sponsored the early day motion in that respect, but given that some of these colleges are clearly willing to flout the law what additional security do you get by having the term "college" registered, in effect?

Mr Lewis: I think that is a long-term impact. Clearly one would have to use any change and restriction in the longer term. That is a solution that will roll out over the next five, 10, 15 or 20 years and it is something that we would welcome because it would have a growing impact. I think at the moment the real issue is distinguishing between legitimate and non-legitimate activity. "Bogus college", as Tony suggested, is a strange phrase, it is a catch-all because you sometimes get some colleges setting up in one room doing some legitimate activity but having a sideline in issuing bogus qualifications, so the issue of bogus qualifications is wrapped up in all of this. I think we need immediate activity and I

think that the UK Border Agency's measures they have put in place are a huge step forward, and we have been very supportive of them, and then we need this longer term perspective, which is our advocacy of the restriction on the use of the term college.

Q25 Chairman: Is it your organisation that has suggested legislation to protect the use of the word college?

Mr Lewis: It is suggesting the use of existing legislation, the 2006 Act. It is open to the Department of Business Enterprise and Regulatory Reform to add the word "college" to their list of regulated words in the establishment of companies and that would be a long-term impact to restrict and slowly reduce the number of organisations that care to call themselves a college.

Q26 Patrick Mercer: Mr Lewis, has Castle College registered as a sponsor under the points-based system?

Mr Lewis: It has.

Q27 Patrick Mercer: What was your experience of the process of inspection and accreditation by the UK Border Agency?

Mr Lewis: It was very good and we were very pleased with that. We watch the list very carefully as it is developing to see how many colleges that we know about do not appear on it. Some that we know about have appeared with a category B, which is basically that they are subject to further scrutiny, and it seems to me that as we watch this roll out my main concern is to ensure that the amount of checking being done is adequate. That is where I think that we have further work to do to ensure that the objectives set out by the Border Agency are going to be met. In other words, I think that there may be loopholes. We are very keen to advise on the closure of any loopholes, but we are in the early stages of the roll out.

Q28 Patrick Mercer: Forgive me, I cannot picture the college. Whereabouts is it in Nottingham?

Mr Lewis: It is in central Nottingham, Maid Marian Way, and it was formerly called the People's College.

Q29 Patrick Mercer: Were you visited by the Border Agency?

Mr Lewis: We were visited by the Border Agency, yes.

Q30 Patrick Mercer: How many times?

Mr Lewis: I do not know the answer to that question.

Q31 Patrick Mercer: Could you let us know, please?

Mr Lewis: I will.

Q32 Patrick Mercer: It would be really helpful if you could say what aspects were looked at during each visit as best you can.

Mr Lewis: I will provide a briefing note to the Committee.

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Chairman: That will be very, very helpful. David Winnick?

Q33 Mr Winnick: We are having the Minister responsible for immigration matters in after you. How far do you believe the Government could do more, than indeed, it could be argued, previous Governments and certainly the present Government have done to stop these bogus colleges being set up, which obviously is a blot on our country?

Mr Lewis: It is and in terms of setting up the foundation I think the work that has already been done to establish the UK Border Agency is an excellent step and we would want to continue to support that. If more is to be done, it is to make sure that that operation works successfully, that it does not allow loopholes to develop and that we have joined up government. It seems to me that we really here are looking at joining up issues for the Home Office, the Foreign Office and the Education Departments and so on. We need these things to be tied together to make sure that loopholes are not created and developed.

Q34 Mr Winnick: Recognising we are a free enterprise economy and every business person, bogus or otherwise, can get in on the act, what surprises me as a layman is that an educational establishment could be set up without the Department of Education, or whatever it is now called, inspecting it and being absolutely satisfied that it is a *bona fide* institution. That does not happen at the moment so far as I understand.

Mr Millns: You are quite right, it is indeed, and has been for many years, a national scandal that anyone, whether a fit and proper person or not, can hire two rooms above a fish and chip shop and call themselves a college. It is almost unbelievable given that the world believes that UK education is high quality. We would certainly advocate that, at the very least, any educational establishment has to be accredited by one of the appropriate accreditation bodies that actually look mainly at the educational quality of the institution whereas the Border Agency checks its compliance with immigration procedures and such things as recording student presence in classes.

Q35 Mr Winnick: It seems to me that it is not so much the Immigration Minister who we are going to have in in a moment but it should be the Education Minister or one of the Ministers in the Department who should be asked very tough questions.

Mr Millns: I said something like that a few minutes ago, yes.

Q36 Mr Winnick: Until this is done do I take it that the loopholes will simply continue until the Department says, “We must approve these establishments before they can function”?

Mr Millns: It will, except that access to the register of sponsors and the ability to bring in international students who require visas will be more carefully policed than it has been. There is no doubt that there are still a couple of pretty obvious loopholes in the system. The Border Agency is proposing that new

start-up colleges will be able to operate and be on the register of sponsors for six months before they need to get accreditation. Even with the restriction on the number of students they can bring in they will still be able to bring in visa national students.

Q37 Bob Russell: Mr Winnick referred to this as a loophole. What words would you use to describe it, because a loophole is something small?

Mr Millns: Well, first of all, I do regard it as a national scandal that anyone can set up a so-called educational establishment. The Government has made serious moves now to tackling the immigration abuse side of that but the educational damage which we have referred to in terms of the reputational quality of the UK internationally still remains and is still very significant.

Q38 Chairman: And presumably it means that they can recruit people from this country?

Mr Millns: Absolutely and anyone who does not require a visa, European Union nationals.

Q39 Mr Winnick: It seems that the most appropriate word for those who run these bogus colleges is “spivs”?

Mr Millns: Yes, I would not disagree with that.

Mr Lewis: Very often these colleges are established by people who have come into the country as economic migrants of whatever origin they may have, and then, with family and relatives in certain parts of the world, they establish a balanced network with the sole aim of developing a pipeline, so that is how it develops. In many of these institutions you can see how the process works and what we have not had is joined-up government to deal with the various elements—Foreign Office, Home Office, Department of Education—and the departments need to all work together because that is the pipeline, we can see it, we can report it, we can explain our anxieties, but it is recognising how these things work and how therefore you can stop them.

Q40 Chairman: Neither of you have mentioned any particular country, although *The Times*’ report refers specifically to people of Pakistani origin. Is it the case that it applies to all countries and indeed, Mr Millns, you talked about EU students coming in, so it is across the board, is it not, it is not just one particular country?

Mr Millns: It is. I do not think it would be right to single out any one nationality in this. The particular issue in relation to European Union students relates to junior students who can go to non-accredited colleges and are at risk of child abuse.

Q41 Mrs Dean: Although you have expressed some reservations are you fairly confident that the new register of sponsors under the points-based system will close the loopholes and ensure that only accredited institutions are able to sponsor students?

Mr Lewis: I think that it is a good solution that has been worked up and implemented and I think the real issue now is making it work, and we want to work with the Border Agency to make it work. That

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is to do with the willingness to address issues as they appear and to deal with what we perceive to be the weaknesses in the system that has been created—and Tony has mentioned one of them. I think that it is a good solution to the major part of the problem but it is not an adequate solution to all of the problem, and we have mentioned some of the other things that it will not address.

Q42 Martin Salter: It seems to me that this is a complete failure to regulate and this rush that we have had in recent years to portray all regulation as bad is fundamentally flawed. It was fundamentally flawed in respect of the bankers and it is clearly fundamentally flawed in respect of private education.

Mr Millns: Let us not talk about bankers. In terms of private education, yes, I would agree with you and, in fact, probably the point you have to go back to is 1982 because the then Department for Education and Science had previously run an accreditation scheme for private colleges and in what in education shorthand are usually referred to as the “Thatcher cuts” in 1982 that scheme was dropped by DES. I have somewhere in our archives a yellowing news release from Sir Rhodes Boyson announcing that decision, and many of you Members here I am sure will remember that gentleman with great affection.

Q43 Mr Winnick: Is that genuine?

Mr Millns: As a sector we had to pick that up and with the British Council we set up a new accreditation system but that was voluntary so, yes, a government system of regulation has not existed since before 1982.

Mr Lewis: If I may just add to that. There is, in my judgment, a fairly heavy layer of regulation which bears down on universities and bears down on colleges of further education and further education public corporations. I would argue that we have a fairly heavy regulatory system. The problem we are dealing with here is where there is an absence of a regulatory system and it seems to me that that is a question of balance.

Martin Salter: I just return to that, Chairman, with a supplementary. It would be very helpful for the Committee if you could send us the chapter and verse, in other words your yellowing cutting of Mr Boyson, because clearly the problem goes back to 1982. However, not wishing to let my own Government off the hook, we were surprised to receive a letter from Diana Warwick at Universities UK expressing serious concern back in 2007 about the decision of the then Immigration Minister to approve the Accreditation Service for International Colleges. This seems to be a shadowy organisation with very little transparency and it has clearly been massively ineffective. What more steps need to be taken?

Q44 Chairman: Mr Lewis, is it a shadowy organisation?

Mr Lewis: I do not know whether it is a shadowy organisation or not but I do know that further consideration needs to be given to these things because I think that we do rely too much on regulatory bodies setting themselves up and so on. It is back to this issue of joined-up government and taking a view across the piece. This is a complex subject. There is a lot of legitimate business taking place here. We should not forget that there are big companies which bring students in as well, there are big international contractors bringing students into the UK for certain training and educational purposes as part of big contracts and so on, a lot of legitimate business and it just seems to me that we need to be much more adept at actually spotting things and setting them up. It seems to me that these are falling between stools and that it is an inter-departmental issue.

Q45 Chairman: Mr Millns, is it a shadowy organisation? Should they be more transparent?

Mr Millns: If you look on Companies House I think it is difficult to see who the ultimate beneficial owners of that organisation are. To address the point of the question, it is certainly the case that the accreditation bodies that have been approved need to be reviewed and there needs to be a lot more rigorous work done on ensuring that they are making decisions based on the same standards, which I personally do not believe they are at the moment, and indeed you could pose a question as to why we have more than one or two accrediting bodies, because those of us who have been around education for some time will remember that when there were something like six A level boards in England there was a lot of suggestion that one board was easier than another, and you get that kind of competition.

Q46 Gwyn Prosser: An area which we have not looked at yet is the trainee teachers who might be sucked into some of these poor quality or even bogus colleges under false pretences. What is your experience of that?

Mr Lewis: My institution runs teacher training programmes and programmes to train trainers. I think that in terms of those students, those adults retraining or training to become teachers of English or teachers of technical subjects, then the university or the college that actually runs that course is responsible for making sure that any work experience is actually legitimate and high quality because we would have to ensure that the supervision of teacher trainer in that particular workplace was of a particular standard, so I am not too worried about that side of it. There is a very large market of people who work part time in teaching English as a foreign language, as an example. I do not think there is a major risk there. In terms of spotting what is going on, rather than bringing the risk to our student teachers, we tend to have very good intelligence in our geographical areas as to what is going on. It is our business managers that tend to spot that, as indeed Tony’s network will be able to spot that. Generally speaking, I can tell you

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what is going on in the Nottingham conurbation and I could probably give you a good low-down as to who has appeared recently and what is going on, and if I cannot my business managers will be able to.

Mr Millns: We do try to give advice to prospective teachers on our website and through the British Council as to what qualifications they require to work in a legitimate organisation but I am sorry to say there are some spivs, let us use that word, selling sub-standard courses in teaching English. I referred one a year or so ago to the Advertising Standards Authority for saying you can train over a weekend to teach English anywhere in the world.

Q47 Gwyn Prosser: Do we give enough guidance and warning to would-be trainee teachers coming into these institutions about what to look out for?

Mr Millns: We do what we can but I do not think there is any perfect way of warning teachers or prospective teachers to avoid less reputable organisations.

Mr Lewis: Again if I may add, this is a major problem because one has a market here. There is choice between universities, colleges and providers of English language courses, and I think the saddest cases are when people who are legitimate students from around the world find themselves suddenly in the middle of a city at a bogus college. They think and their families think that they have made all the right decisions, and with whatever advice our organisations provide and the British Council provide, that is sometimes what happens. The market is extremely complex and very large. It is a worldwide market. For us the main competitors are the United States, Australia, Canada, New Zealand and the other English-speaking nations.

Q48 Mrs Cryer: Could you just explain what you think the possible adverse impact may be on perfectly legitimate universities and colleges of the sort of adverse publicity that this is going to get and what sort of impact it might also have on perfectly legitimate students wishing to come here for very good courses? I have a certain involvement with Bradford University and I shall be going to one of their degree ceremonies, and I know that many of those kids that are getting their degrees have been through a very good degree course and they are very determined to do very well, and it will be dreadful for Bradford University if these sort of students were put off coming here. Could you comment on what sort of adverse impact it might have?

Mr Lewis: The impact is enormous because reputation is everything in this world. In the Prime Minister's Initiative, the first one and the second one which is still running, reputation is the critical issue for our universities and colleges worldwide and word of mouth and student experience is critical. We live in a world whereby if there is an incident in Nottingham, we have parents of students in Vietnam seeing it on the BBC website and ringing up the college asking what is going on in Nottingham. That is the sort of reputational issue that we are dealing with all the time. When you can go to certain websites and see all our universities and all our

colleges listed and then you get something like the College of the Bahamas in Manchester listed as well, you can see that it appears to give apparent legitimacy to some of these organisations. It does not take much for students to go back to their home countries and explain that they have had a rotten experience. As we know, in any form of marketing and so on, one bad customer can ruin a lot of effort that we have made internationally. It is back to this issue that why is the Kingdom of Saudi Arabia coming to the UK to ask for assistance in the establishment of the vocation and education training system? It is because of reputation. It has a huge impact on the students and on the institutions.

Q49 Tom Brake: Mr Lewis, you said that you have good local knowledge about what is going on in your area. Do your associations make any attempt to pool that information?

Mr Lewis: We do tend to pool that information. The Association of Colleges has a regional set-up so that we have local intelligence across the cities and region. It tends to be pooling information in an informal way. We do not maintain a register of what we regard as bogus colleges internally, but we do network and we do have that information coming in, but it is not our business to do the regulation and we do not collect it systematically.

Q50 Tom Brake: Would it not be to your advantage to collect it systematically and to make that information available?

Mr Lewis: I think we are dealing with such large numbers. We started this discussion talking about large numbers of bogus colleges and large numbers of students. I think it is beyond our resources to do that. We can assist and we have been assisting, back to my earlier comments, in raising this issue many years ago. We have attempted to put in information and so on as best we can. The more systematic this can be done the more easily we can help.

Q51 Tom Brake: On the question of being systematic then, do you issue guidance to *bona fide* colleges and schools advising what action they should take if they suspect that just down the road from them in the high street is a bogus college?

Mr Lewis: Yes, we do operate on a network like that so that if there is something taking place in Nottingham then it would not be long before we let other college principals and vice chancellors of universities know or their institutions know, so we do network to that extent, yes.

Q52 Tom Brake: Do you actually issue guidance so that if a college in Nottingham suddenly realises that they have got someone opened up just down the road, do you issue guidance to that college saying this is the action you should take, this is the "crime stoppers" hotline that you should call? Is that level of information made available?

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Mr Lewis: We do not issue guidance at that level, no.

Q53 Chairman: Thank you very much, Mr Millns and Mr Lewis, you have been extremely helpful in giving evidence to this Committee and you have given us food for thought. We may well decide to call an Education Minister as part of this inquiry. We were hoping that this would be a one-off session but

it may be slightly longer than we anticipated based on what you have told us. In summary, you have said that there are hundreds of colleges and thousands of students who may well be bogus students and bogus colleges in the United Kingdom.

Mr Millns: Potentially.

Chairman: And therefore it is worthy of further investigation. You are welcome to stay to hear what the Minister has to say.

Witnesses: **Mr Phil Woolas MP**, Minister of State for Borders and Immigration, and **Mr Jeremy Oppenheim**, National Lead for Economic and Family Migration, gave evidence.

Chairman: Minister, Mr Oppenheim, thank you very much for coming here this morning to give evidence to the Select Committee. May I begin, Minister, by expressing the gratitude of this Committee to you personally for all the work that you did in respect of the Gurkhas issue. When the Government was defeated in the House, you went to the House and you made a number of statements concerning working with this Committee. As a result of your personal initiative, the Committee had a session with the Gurkhas and with your officials and we were able to make recommendations which you and the Prime Minister accepted, so we are extremely grateful. We hope that that is a precedent for the future that all the recommendations of the Home Affairs Select Committee are accepted in full by the Government!

Mr Oppenheim: I have received it, yes.

Q54 Mr Winnick: Do we have a guarantee?

Mr Woolas: Thank you, Chairman. I think that means I am in for a rough 45 minutes.

Q57 Chairman: Baroness Warwick wrote to us yesterday to inform us that she had written to your predecessor, Liam Byrne, highlighting the problems that existed, and we have heard from universities and colleges today to say that they first raised these concerns with Ministers as far back as 1999. Are you embarrassed that in the last 10 years the Government has not done more in order to cope with the situation of bogus students? At this moment in every city and every town in Britain there are students who are in this country because of the entry clearance process for which you are responsible who are bogus students.

Q55 Chairman: You guess correctly, Minister! We have had some very shocking evidence this morning, Minister, about the state of the entry clearance operation in that there are hundreds of bogus colleges and thousands or tens of thousands of bogus students that are in this country at the moment. We know that you will say to this Committee that the points-based system is the most radical reform of immigration policy since the Second World War, and we may or may not agree with that because we have not concluded our own inquiry into the points-based system, but as it stands at the moment there are these colleges and students who are being admitted. Part of the reason why we are holding this inquiry is because of press articles, especially those in *The Times* written by Mr Andrew Norfolk. Have you personally seen the dossier that Mr Norfolk produced about the number of bogus students who have entered the UK?

Mr Woolas: I was reported also in *The Times* on 17 April of this year at a visit to Imperial College at the University of London as saying, if I may Mr Chairman just to answer your question directly and frankly, that: "The changes for colleges, universities and students in the points-based system are primarily aimed at stopping abuse of student visas—whether using non-existent courses to obtain one, non-attendance by students, or overstaying on a visa. Everyone who is honest in the immigration industry knows that students overstaying has been the immigration system's Achilles heel." I stand by that statement, Chairman. I think that the existence of colleges, or so-called colleges, either for exploitation of students or for visa reasons has been a problem in this country for many decades. You asked me whether I was embarrassed. I am proud that I have been able to oversee the implementation of a new regime, something that I personally have been campaigning on since the early 1980s.

Mr Woolas: Chairman, thank you very much indeed for your kind remarks. On the article in *The Times*, which we responded to by thanking *The Times*, we were aware of the issue, personally I have of course read the articles and I have had briefings from officials on the background to it, but I have not read the specific dossier that I understand exists.

Q58 Chairman: On day one when you became Minister for Immigration presumably there was a dossier presented to you of the key issues to do with your Department; there usually is for new ministers. Was this one of those issues that was flagged up by the Border Agency, or IND as it was at that stage?

Q56 Chairman: You have not read it but your officials have seen the dossier; is that right?

Mr Woolas: There was a very comprehensive handover note, as you would expect knowing my predecessor, which included advice that he in turn had got from officials. We think that this has been a very serious issue. The reputation of United Kingdom universities and colleges is diminished and has been diminished by bogus colleges. The students themselves have sometimes been exploited and of

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course the issue of visa issuing to students who have been offered places has been a problem. What we have done in the roll-out of Tier 4 has been to provide a comprehensive regime that checks on that.

Q59 Chairman: Yes, we are coming to that.

Mr Woolas: I hope that answers your question.

Q60 Chairman: We have had figures today of hundreds of colleges, and tens of thousands of students, and we know the figures from Pakistan have gone up from 7,000 to 26,000 in the last few years and we know this issue is not just about students coming from Pakistan, this affects students coming from all over the world, but do you have any figures to give this Committee on either the number of colleges or the numbers of students who are still here who need to be basically tracked down and removed?

Mr Woolas: Chairman, yes I do. Clearly, the question that immigration ministers are asked often, which is how many illegal immigrants are there, is an unanswerable question to be certain, but I can give you the figures that I hope are helpful to you. We issue around 200,000 student visas each year. The duration of a student visa of course varies depending on the length of study, and one of the changes that I have been able to make as a result of the new regime is that a visa applies for the length of the course, and the universities find that very helpful. Of course now that we monitor student attendance we are able to back that up. We use the Department of Innovation, Universities and Skills' register of providers. The precursor list that was used to recognise educational establishments listed 15,000 education and training organisations but of these about 4,000 of them consistently offered learning to foreign students. Over 2,000 institutions have applied for a sponsor licence under the new regime. There are just less than 1,600 educational establishments on the register of sponsors. So you can see, Chairman, that the number of institutions—

Q61 Chairman: —has declined.

Mr Woolas: —that are licensed now under the sponsor regime is significantly less than our best estimate of how many colleges there were under the old regime.

Q62 Chairman: So what is your estimate of how many were, to quote your predecessors as witnesses, dodgy?

Mr Woolas: I do not want to besmirch colleges that are—

Q63 Chairman: We are not asking you to name any but we want some figures.

Mr Woolas: Chairman, we estimated that under the old system around 4,000 consistently offer learning to foreign students. We have licensed 1,600. One could draw the conclusion from that that the difference is dodgy. I would caution against saying all of those are dodgy. Some have chosen not to apply perhaps for commercial reasons, but that would be my guess.

Q64 Chairman: What about as far as the students are concerned? You gave us a figure of 200,000 getting visas to come here. What is your estimate? There must be some estimate as to how many you regard as bogus?

Mr Woolas: I have researched this point in anticipation when you informed me of your intention to have this inquiry. These are the best figures that we can offer. Of the 120,000 students currently with permission to study which was granted in country, half must either leave the UK or make a further application under the new rules by December 2009, and by December 2010 all but 10% will have had to do the same. Of the 330,000 who applied from abroad, 60% will have to reapply under PVS or leave within the next 12 months, 85% within 24 months and 96% within three years. Any student who does not bring themselves within the new regime or does not leave the country when their leave expires will be subject to appropriate enforcement action.

Q65 Chairman: As Minister, when this issue first came into the public domain, you must have had your senior officials in, Mr Oppenheim and others, and said, "Give us an estimate of how many of these 200,000 or these 120,000 who have to get leave to remain beyond 2009 are bogus?" You must have asked this question.

Mr Woolas: I certainly did.

Q66 Chairman: And what was the answer?

Mr Woolas: If I could try to explain. Not only that but I examined the processes in country and in Lagos in Nigeria and Abuja in Nigeria to see how we could tie up our strategies and enforcement policies better. The difficulty is of course that one simply does not know.

Q67 Chairman: Did your officials give you an answer or not?

Mr Woolas: There is not a specific figure that we estimate because it is best not to guess if we cannot be sure.

Q68 Chairman: Is it best not to guess because the figures will be so high that everyone will be quite shocked?

Mr Woolas: Chairman, as the Minister and the Home Secretary I have been very upfront and honest in saying that this is a problem and that you cannot have a managed migration system on the old basis of student visas. I said that honestly and openly, reported by the journalists from the Press Association who interviewed me and that was carried in national newspapers. I am not embarrassed by that. I think anybody who is honest about this system knows that there have been dodgy colleges. We are in the process of changing that. The new system is in force and that will make it better for genuine students and genuine colleges.

Chairman: You have always been very open and honest with this Committee, for which we are extremely grateful. Patrick Mercer?

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Q69 Patrick Mercer: Minister, Mr Oppenheim, we spoke some time ago about the possibility of so-called bogus colleges being used to shroud terrorists. It would seem that Operation Pathway was based, at least partially, on that premise. You will have received privileged briefings about the threat that exists; can you give us a feel for that?

Mr Woolas: Thank you, Mr Mercer. I am not a Privy Counsellor and I do not have access to all of the information, but of course those matters that concern immigration do cover my portfolio. Chairman, you will excuse me if I choose my words very carefully because I have to bear in mind that Operation Pathway individuals are still in immigration detention and have appeals going through, so my remarks are not related specifically to any knowledge that I may or may not have about them. Our experience is that terrorists are not going to draw attention to themselves, but the student visa route has been in the past, I believe, as I have said honestly this morning, subject to abuse. I personally have never seen any information or intelligence that suggests that terrorists or would-be terrorists have used that route. Commonsense says that you are going to get a valid visa if you are intent on criminal activity. Indeed, I would point out that the 9/11 bombers did study in this country previously, from what we can tell, on genuine student visas and there was the case of the doctors in Glasgow who were on legitimate visas, so our intelligence work does not depend on the idea that it is impossible to be a genuine student and a terrorist. Having said that, clearly if a college is only a college in name and it is in fact being used to provide a backdoor route for student visas, then it does come to the attention of the security forces. I do think that our strategy of having a new regime does have beneficial impacts for security obviously and, critically, combining that with the electronic borders counting in and counting out we know if a student has overstayed and not left the country and we can then of course take enforcement action.

Q70 Patrick Mercer: Following on from that, which regulatory bodies for further or higher education are approved by UKBA?

Mr Woolas: Could I ask my expert?

Q71 Chairman: Could you introduce your expert?

Mr Woolas: Jeremy Oppenheim is the national lead on economic and family migration and he is one of our experts upon whom I depend.

Mr Oppenheim: That is very kind of you.

Q72 Chairman: Mr Oppenheim, come to the aid of the Minister.

Mr Oppenheim: I will indeed. We ask Ofsted to undertake the overall accreditation for us and we use Accreditation UK, which is a British Council scheme which offers accreditation for English language schools; the BAC, the British Accreditation Council, which offers more general accreditation services; ASIC, that is the Accreditation Service for International Colleges, which also offers a general service; ABLIS, which is

the accreditation body for language services; and the Church of England Ministry Division. We use Ofsted and I meet regularly with the Director of Learning in Ofsted to make absolutely sure that those accreditation bodies are operating as firmly and well as possible.

Q73 Patrick Mercer: How does the Border Agency decide which ones to approve?

Mr Oppenheim: We are not academic experts and we particularly want to make sure that academic experts are involved in the accreditation of colleges so we rely on Ofsted in particular to be able to advise us about the best accreditation bodies.

Patrick Mercer: Thank you, Chairman.

Q74 Mrs Dean: Can I first of all clarify, you said that 2,000 institutions had applied to become sponsors and 1,600 are now on the list. Does that mean that 400—

Mr Woolas: I am sorry, there were 2,000 who applied for a sponsor licence and there are just under 1,600 on the register of sponsors.

Q75 Mrs Dean: Does that mean then 400 had been rejected or are they still in the process?

Mr Oppenheim: Not every single one of them, Mrs Dean, because we will be working through a number of those cases, those applications and processing them over a period of 28 days or a little more if we want to take a bit longer over it, but we do know that out of the applications that we have received 280 have been rejected, 222 have been refused and 66 withdrew of their own volition. That is a continuing process. If you ask me in a week's time the figures will change because it is a live process.

Q76 Mrs Dean: In 2006, this Committee produced a report on immigration controls and one of the recommendations was as follows: "The Department for Education and Skills should recognise that it has the responsibility for ensuring that colleges attracting overseas students are genuine and offer an adequate standard of education. It should own and maintain an improved register of colleges on which both students and the immigration authorities can rely . . ." We also said that it seems that information about bogus colleges does not find its way to the DFES. Can I ask how the Border Immigration Authority has been ensuring that the DIUS have been working with you to make sure the system has improved?

Mr Woolas: Thank you, Mrs Dean. The regime that we have in place for immigration purposes relies on sponsors, whether that is sponsor employers or sponsor colleges, or indeed sponsor individuals, and, consequentially, we are dependent on our partnerships with other departments, whether that is BERR or in this case DIUS. There are two levels. First of all, it is our requirement that the colleges must be registered as sponsors under the points-based system and then of course there is the work that we do with DIUS and DSCF and Ofsted, so that we rely on, essentially as Jeremy has said, their

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expertise to tell us whether they are proper colleges and we then say are they fit and proper to allow sponsored students in?

Q77 Mrs Dean: And is that relationship working well?

Mr Woolas: From my point of view with my colleagues works very well. I have confidence in the Joint Education Taskforce—JET we call it—which the key players such as Universities UK and others are involved in. We have had a lot of co-operation from that. Is it working well? I think so, but I am very conscious that there is a lot of fringe activity in this sector. We as the Home Office of course want to have a managed migration system. We are also conscious that we want to protect the reputation of the mainstream colleges. I think that is good. The evidence is that that is working. The number of students applying to mainstream is there. However, we also want to ensure that there is a good experience for the genuine student because of the importance to our economy. I believe that in clearing up the bogus colleges we are doing the country a service.

Q78 David Davies: Minister, there are 1,600 colleges licensed to take foreign students at the moment; is that correct?

Mr Woolas: Yes.

Q79 David Davies: Have they all been inspected by UKBA by a personal inspection?

Mr Woolas: The answer is yes but I just want to be very honest and clear with the Committee.

Mr Oppenheim: To be clear, nobody gets on the register without two processes going on: firstly, accreditation by one of the academic accreditation bodies that I mentioned earlier and, secondly, we need to assess whether the college is taking note of, understands and applies the immigration rules as they are expected to do. That does not mean that we have visited every single one of the establishments. There is for me a difference between visiting King's College Cambridge and King's College on Cambridge Heath Road, Bethnal Green, to put it bluntly.

Q80 Chairman: Sorry, what was the other college called?

Mr Oppenheim: It is one I have invented but there are plenty of colleges with very similar names.

Chairman: Are you already preparing for your retirement!

Q81 David Davies: I appreciate your point. I have a couple of questions. You will be inspecting every single one and you are confident that you have inspected all the ones that would be of interest to us; is that correct?

Mr Oppenheim: We have visited all the ones about which we have the greatest concerns and we will have visited all of the educational establishments by July of this year.

Q82 David Davies: How many of these 1,600 institutions are offering courses other than English and have more than 50% of their students from other countries? Because I put a point to you, it is likely, is it not, other than English courses—and I can see why that would be popular with non-British students—that for anyone offering courses in IT, management or MBAs, you would expect there to be a high proportion of British students there, so are there any of these 1,600 which are non-English teaching which have more than 50% of their students from foreign countries?

Mr Woolas: I think we will have to write to you about that.

Q83 David Davies: Do you see the point I am getting at? It is a clear indication.

Mr Woolas: To try to be helpful, what we find of course is that the colleges cover across a spectrum. Of the ones that we have rejected and the ones we have refused there are those who were providing legitimate courses in part of the college and non-legitimate courses in other parts of the college, some not at all, and some that we have suspicions about.

Q84 David Davies: Can you see the point I am making?

Mr Woolas: Absolutely.

Q85 David Davies: That it is a fair indication of something we should be worried about. Finally then, we have been giving out visas to 200,000 students every year, about a million over the last five years. Do we have any knowledge about how many of those have gone home?

Mr Woolas: Again, the figures that we provide to your Committee will cover that point, I believe. The issue of student visa overstaying—because students are entitled to stay for a period after their studies if they apply—is of course critical to our strategy. The electronic borders counting in and counting out, as it rolls out, now allows us to identify who has overstayed. My criticism of the past would include the point that, Mr Davies, you are asking about, I think that is right, in the past if a student overstayed unless we came into contact with them we would not necessarily know.

Q86 Mr Winnick: Minister, the embassies and high commissions abroad, no doubt try and find out if colleges are legitimate or not, and Mr Oppenheim made reference to Ofsted, but we have had evidence from one of the previous witnesses who has said that anyone in Britain could open a so-called educational establishment above a fish and chip shop. I am just wondering what co-ordination do you have with the Education Department over such institutions?

Mr Woolas: We will only issue a visa, either in country or overseas, to a student who has received an offer from a college or institution on our registered sponsor list, and we make checks on that offer, because of course people forge letters of offer, and sometimes they make up the name of the institution. It has normally got "Oxford" or "Cambridge" in the title and it is normally not in

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Oxford or Cambridge. We will only issue a student visa to somebody who has received a genuine offer from one of the 1,600 colleges that are sponsoring.

Q87 Mr Winnick: The Times article gave a totally different impression. If everything is fine and legitimate why are we having this evidence session today? The fact of the matter is that a lot of these students from overseas simply come to institutions which are totally bogus and, as I have said earlier today, are run by spivs.

Mr Woolas: Mr Winnick, the system that I am describing is the new system. The story that you are referring to, which as I described before is a helpful story, related to students who had come under the old system. I think the story shows that we are right to be doing what we are doing.

Q88 Chairman: Minister, what Mr Winnick is getting at is these students are actually in the country at the moment. Just because you have brought in the points-based system does not mean all these students who are bogus students suddenly got on a plane and went back, they are actually here now. That is the point he is making.

Mr Woolas: That is right and if they are not in a sponsored institution and they are not attending courses we can and do revoke their visas.

Q89 Mr Winnick: So *The Times* article served a useful purpose?

Mr Woolas: We were very pleased with *The Times* article and the co-operation that we got from *The Times*. As I said before, we were aware of some of the intelligence that was reported. I personally know the college, it is in my part of the country, and it is part of a campaign to clamp down.

Q90 Mr Winnick: Do I take it that there is going to be closer (indeed there does not seem to be any) co-ordination? I would like to see, and I am sure my colleagues take the same view, close co-ordination between the immigration section of the Home Office and the Education Department.

Mr Woolas: I think so. I do not know if, Jeremy, you want to add any practical details.

Mr Oppenheim: If I could just be helpful, Minister. Mr Winnick, we do have very close working relationships with both DIUS and DCSF, because, as you know, the points-based system deals with children over the age of eight as well as adults studying, and with Ofsted. Clearly, there is always more that we can do together to stamp out people who are offering courses that we do not think are legitimate. If I could add, as part of our enforcement work around the country, we do look at the colleges that are not on the list of sponsors under Tier 4 but do have students in significant numbers, and we have been undertaking a range of visits to those. Where we think they are not operating properly, we use our enforcement powers to close them down.

Chairman: Thank you very much, that is very helpful. Gwyn Prosser?

Q91 Gwyn Prosser: Mr Woolas, one of the specific charges made in *The Times* article was that for colleges which had been shut down in the North West the proprietors had then gone on to open other colleges in other places. What is the Government doing to apprehend these people at the time of close down and prevent them just spreading their practices?

Mr Woolas: The gentleman in question regarding that college was arrested. The sponsorship scheme of course allows us to punish the sponsor if the migrant abuses the visa. That is one of the great advantages of the sponsor system. We are able to keep a record, as it were, of what you may describe in lay person's terms as a fit and proper person, and if that person has been running a college that has not been legitimate and we have discovered that, we will use that information if that name appears elsewhere. Of course people do use front people and so on, so this is an investigative exercise as well. Personally, I think that is the strongest advantage. In the UKBA we are always trying to be ahead of the bad guys. We are always trying to second-guess where they are going to go. Of course, your Committee is giving us advice on that and we are planning now where we think these people are going to go in the future.

Q92 Gwyn Prosser: Finally, can you give us an assurance that as each bogus college is identified as such and closed down that the best lead you have on the proprietor is actually dealt with in a way that prevents him or her setting up further colleges?

Mr Woolas: I think we can. I do not know if Jeremy wants to add. I have had correspondence and meetings with sponsor organisations and their representatives to complain about the amount of intelligence that we do ask them for. I think that you will find the University and College Union have debated this at their conversation just this week. We need that information to do what everybody wants us to do.

Q93 Chairman: That is a different issue, is it not? That is about asking university lecturers to do what they regard as snooping on their students who are already there. This just affects people who are applying to come into the country, so it is a different issue, is it not?

Mr Woolas: The amount of information that we require from the sponsor institution has been criticised by some. That is a separate issue and I recognise that.

Q94 Chairman: In answer to Mr Prosser you said the gentleman who was behind these colleges in Manchester had been arrested, but we happen to know from the evidence given to us today that other people connected with that *Times* article (not the writing of the article but the subject of the article) have now set up other colleges in Manchester. What are you doing about that?

Mr Woolas: Chairman, we deal with registering for immigration purposes accredited colleges. If individuals set up bogus colleges we will not issue a visa to students from them.

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Q95 Chairman: But there are no criminal offences? We will come on to this later but there are no criminal offences that have been committed here?

Mr Oppenheim: As the Minister has already said, where an individual or group of individuals' names appear to be running a set of colleges that historically were bogus, if those names crop up again our intelligence system will flag those names up and we will do further investigations to see whether we think those colleges are legitimate or not. We do keep quite a careful track of the issues that are raised by institutions, organisations and newspapers. It so happens that issues raised by *The Times* were, as the Minister already said, subject to quite a lot of investigation by us.

Mr Winnick: Private enterprise!

Q96 Ms Buck: Is not one of the emerging loopholes that institutions to some extent have been but will get smarter in the way that they seek to get round some of these rules? For example, it seems that there was evidence that you are looking for attendance records and other information on students, but some of these colleges will simply fake the attendance records. Some of these colleges are simply changing students' designations of courses in their paperwork halfway through. How on earth are you going to find yourselves, in partnership with the education authorities, a system to stop them doing that?

Mr Woolas: Chairman, on the issue of immigration enforcement, we face these battles every day in a whole range of sectors. This is not something that can ever be perfect. We believe, however, that the action that we take, our general approach to these institutions is that we will try and help them comply with the system, especially in its early days, but if we have evidence, and we do of course monitor and have enforcement powers, that they are playing the system, we will close them down.

Mr Oppenheim: The other thing, if I may Ms Buck, is that we have also introduced a process of unannounced visits to deal with the issue that you rightly raise, so where we think that an institution is operating only in name but not in practice, we will visit that institution unannounced and if we are refused entry we will infer from that refusal certain things.

Q97 Ms Buck: What is the red flag?

Mr Oppenheim: We will do it at any institution about which we have got concerns. If our visiting officers—and we have got a network of them around the country—have got concerns or we receive information, whether it be from *The Times* or from a student. Many students have come to the country in the past wanting to study legitimately and have found that they were not engaged in institutions that are offering these things.

Q98 Ms Buck: I certainly take Phil's point about the impossibility of being everywhere and the undesirability of being everywhere as well, that would be intrusive, but is it not really the case that

the loophole in this system is more in terms of educational regulation of these colleges than Home Office regulation?

Mr Woolas: I think that the robustness of the accreditation is a necessary but not sufficient part of the tools that we need to do the job. I would add, just to add to Jeremy's point, that the intelligence that we are now able to get from our overseas posts, because you can of course track what is going on from there and you can check in the UK the individuals involved. For example, in Lagos I saw a series of applications that had been rejected from a supposed sponsor that had 35 supposed addresses in North London, so clearly there was something going on there and we were able to follow that up and are able to follow that up back in London. The answer to your question is I think it is necessary but not sufficient.

Q99 Mrs Cryer: Minister, can I ask a question following Mr Winnick's and Ms Buck's questions. There are perfectly legitimate universities and colleges who are bringing people in and doing a very good job. Are they obliged to let you know if a student does not turn up at all, so they may be in this country but no one is aware of where they are living or what they are doing?

Mr Oppenheim: Under the points-based system indeed they are, not only to let us know whether they have turned up but that they have regular contact with the educational establishment.

Mrs Cryer: Further to the points-based system, I understand that *The Times* gave you a dossier of information explaining how some of these dodgy or non-existent colleges were gearing up to exploit the points-based system in assisting and charging people to get them into the country. Can I also ask you a supplementary which has not got a great deal to do—

Chairman: Shall we deal with that first and then come to your supplementary?

Q100 Mrs Cryer: It is related. My understanding is, and I have got masses of information on this, that the ability to provide evidence of knowledge of English to get indefinite leave to remain is also being exploited by people selling documents to say that a person does have English when they actually do not, so there is a really growing cottage industry here.

Mr Woolas: It is a wider subject, Chairman, and I made reference earlier on to UKBA's ability to predict and be ahead of the game and that is the area that I had in mind when I made those remarks. The fact of the matter is that people go to desperate lengths to get into this country. We had an intelligence report recently that some people were chopping their fingertips off in order to avoid fingerprint detection as part of a people trafficking ring. That was reported in the Sunday newspapers two weeks ago and it was a true story. It never ceases to amaze me the lengths to which people will go to try to get into our country, and clearly the attempts to cheat on the English language test are now part of the attack upon us and our robustness in protecting ourselves from that is strong. It is of course in the

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regime straightforward to test somebody's ability to speak and write English. We have got the Citizenship Bill this afternoon in second reading and this will come up in that debate, but I think you know, Mrs Cryer, from our part of the country that there is a cottage industry that is attempting to abuse that system, and we are determined not to let it.

Q101 Tom Brake: Once an organisation has been officially registered as a sponsor organisation, what sort of on-going process is there going to be to ensure that it remains a *bona fide* organisation and do you use triggers in the way that credit card companies do that highlight strange patterns, in other words an organisation that issues 100 student visas but only has three teachers or premises above a fish and chip shop?

Mr Woolas: There are short-term and long-term answers to that question. The longer term is of course the student visa overstaying. If there is an intention to abuse the immigration system then that will express itself at the end of the period of the visa through overstaying. In the short term, Jeremy, do you want to add?

Mr Oppenheim: We use a whole series of triggers, including the number of students, the courses being offered, physical location, and reports from visiting officers. We will continue to visit. We do not just license and then say, "Thank you very much, it was nice." We do follow-up visits on a regular basis. We have got a sponsor management system due to be rolled out in September 2009 which is an on-line system which will give us an increased level of intelligence of the nature you just described, Mr Brake.

Q102 Tom Brake: You mentioned the unannounced visits. Can you give us a couple of examples of what these have revealed?

Mr Oppenheim: They have revealed colleges that when visited the first time had students, teachers and all the technology one might come to expect in a small establishment operating legitimately and when we visited again we found none of those things there at all. As a result they did not get on the Tier 4 licence.

Q103 Chairman: You have seen the concerns of Baroness Warwick from Universities UK about the ASIC and the fact that there appears to be a lack of transparency on its website, a lack of list of inspectors, and a lack of lists of those colleges which have been accredited. She has written to this Committee only yesterday to say she first raised these concerns with Liam Byrne in July 2007.

Mr Oppenheim: If I may, Minister, Baroness Warwick was clearly busy yesterday because I met her as well. She has raised those issues. We are reviewing together with Ofsted the accreditation bodies. Most of the accreditation bodies' contracts are up for renewal in June of this year and we will be saying to the accreditation bodies not only do we want you to be doing the process of accreditation really well but we want you to publish on your website the outcomes of your visits. We want to

make sure that you are far more transparent and that will be part of the contractual expectations that we place upon you.

Q104 Chairman: How much do you give these accreditation agencies every year?

Mr Oppenheim: Forgive me for not having the figure at my fingertips but I am more than happy to write to you about the amount we spend.

Q105 David Davies: I misunderstood the answer to an earlier question. I assumed all of the visits to the 1,600 institutions were unannounced but obviously not. How many institutions have received unannounced visits?

Mr Oppenheim: I cannot give you the answer to that, Mr Davies, because I do not know, and the number will change week by week as we do more unannounced visits.

Q106 David Davies: Roughly how many out of 1,600?

Mr Oppenheim: I would guess—and I apologise because I do not like guessing in committees—that around 10% would have experienced an unannounced visit. They will all have had an announced visit as well because there is no point in doing an unannounced visit unless you have already visited.

Q107 David Davies: Of that 10% that received an unannounced visit, how many were found to be operating in an illegitimate fashion or raised further concerns?

Mr Oppenheim: That is a very difficult question for me to answer, not because I am trying to be secretive but because I do not have those sorts of figures with me. We can easily get them.

Mr Woolas: Do not forget in terms of the 1,600 we are talking about that includes the mainstream, that includes Cambridge, Durham and so on.

Q108 David Davies: Presumably Cambridge University would not have required an unannounced visit?

Mr Woolas: I have thought about it but no!

Q109 David Davies: How many people have been prosecuted under the Immigration Act for the offence of facilitating commissioning of a breach of immigration law by a non-EU citizen?

Mr Woolas: Again off the top of my head I have not got that figure but I can get that figure for you.

Q110 David Davies: Would it be a handful, a dozen?

Mr Woolas: I can give figures on removals if that is of any help.

Q111 Chairman: Removals of students?

Mr Woolas: Let me just find the figures. To answer the question, the last set of published figures—and it covers all prosecutions in England and Wales—from Control of Immigration: Statistics 2007 (and figures subsequent to this have not yet been published), in total there were 253 cases presented to magistrates'

2 June 2009 Mr Phil Woolas MP and Mr Jeremy Oppenheim

courts in England and Wales between 2003 and 2007 and there were 518 cases sent to trial at crown court in England and Wales in the same period. Some of those were of course the same.

Q112 David Davies: And how many were found guilty?

Mr Woolas: They are not all complete yet so it is not possible to say. I am being very careful because of the caveats on the statistics of which I have been advised—some of them have not yet finished.

Q113 David Davies: Would it be possible, Minister, for you to come back with further information?

Mr Woolas: I would quite like to know myself.

David Davies: And perhaps on the number of unannounced visits and the numbers that were found to be operating in an illegitimate fashion.

Q114 Chairman: The concern of this Committee is that many of us have very large immigration caseloads, as you do Minister, and we have genuine cases we put to ministers and we write to the Border Agency, and then we look at these huge figures of people coming in as bogus students and that is what prompted this inquiry, our real concern about people coming to this country in a fraudulent manner to pretend to study here and at the same time the genuine cases that form part of an ever increasing backlog of the Border Agency are not being dealt with. That is why this Committee is concerned.

Mr Woolas: Chairman, It is not an ever increasing backlog, it is a diminishing backlog and it is diminishing quite quickly.

Q115 Chairman: Mr Prosser is raising this point because of course only last week he raised a case with you and your Department where the file went missing and answers were promised and they were not given. I do not want to raise this particular case because we can all do it, but what we are concerned about is that those who try to come genuinely are not

being admitted but tens of thousands of bogus students are coming to bogus colleges in England and Wales and the first we have some action is when a reporter in *The Times* newspaper decides to have an investigation.

Mr Woolas: Chairman, I do not accept that on behalf of the Government. I think it is the past tense, I think it is “had been”. I was very upfront, as was the Home Secretary, in saying that we had recognised that this had been an Achilles heel, or a loophole, call it what you will, and that we are taking measures to close those loopholes. *The Times* article is part of that process and it exposed what the consequences of previous policy were, which I readily admit, and I have said this both as a backbencher and indeed as a Minister on many occasions. I think that the new Prime Minister put in place a new policy.

Q116 Chairman: Finally on the issue of Ministers in the Home Office, not in respect of anything that is going to happen this week, we have expressed our concern previously about the absence of one Minister on maternity leave. She is of course entitled to maternity leave but the Committee felt very strongly because of the workload of your Department that there should be another Minister in there. The other Minister who covered for her has stepped aside two weeks ago. We seem to be struggling with Ministers in the Home Office at the moment. Is there any reassurance that this matter is going to be plugged in the near future?

Mr Woolas: That step aside is temporary and I understand that period will end very shortly. I am coping. Thank you for your concern.

Q117 Chairman: We are very concerned.

Mr Woolas: The number of PQs and letters from Members has not diminished. On a lighter note compared to DCLG it is not half the workload!

Chairman: Minister, Mr Oppenheim, thank you very much. The Committee will now sit in closed session to consider one issue. Thank you very much.

Tuesday 16 June 2009

Members present

Keith Vaz, in the Chair

Ms Karen Buck
Mr James Clappison
Mrs Ann Cryer
David T C Davies
Mrs Janet Dean

Patrick Mercer
Gwyn Prosser
Bob Russell
Mr Gary Streeter
Mr David Winnick

Witness: **Kevin Brennan MP**, Minister for Further Education, Skills, Apprenticeships and Consumer Affairs, Department for Business, Innovation and Skills, gave evidence.

Q118 Chairman: May I welcome the Minister for Further Education, Skills, Apprenticeships and Consumer Affairs in the Department for Business, Innovation and Skills? May I congratulate you Minister on your promotion to your new position? This Committee began a one-off inquiry into bogus colleges a couple of weeks ago and we took evidence from the Minister for Immigration. We were so concerned about the role of the Department of Education, as it then was, that we decided to take evidence from an education minister. That is why we are glad that you have been able to come at very short notice to give evidence to us today. May I start? We heard previously that around 2,000 institutions that were on the original Register of Education Providers are not on the new register of sponsoring organisations. Is your estimate that there are about 2,000 bogus colleges or what is the estimate of your department as to the number of bogus colleges currently in existence in England and Wales?

Kevin Brennan: Yes, I read the evidence of Phil Woolas when he appeared before you and the figures that he used which indicated, as he said in his evidence, that there were under his estimate about 4,000 institutions which had been sponsoring students from outside the EEA countries and that on the new register about 1,600 institutions have registered. Obviously that does not mean that the difference between those two figures necessarily means those are bogus institutions. There might be a number of institutions which have not yet registered on the new register. It is possible that a number of institutions, for business reasons and cost reasons and other reasons, may have decided not to register or may have changed their practices. Obviously it is possible that amongst those institutions there are those who have not registered because they are of very low quality or are bogus.

Q119 Chairman: Of course. Do you have an estimate?

Kevin Brennan: I do not have a figure or estimate of that number from those figures which Phil mentioned to you in his presentation. What I do think is clear is that the new system which is in place will make sure that bogus institutions will find it very difficult indeed, if not impossible, to be able to register and to bring in students from outside the EEA.

Q120 Chairman: As an education minister you must be concerned about this matter. Even though they may not be able to bring in people from outside the EEA, there is still the possibility that these colleges exist. We were told a figure by other witnesses of hundreds of colleges and tens of thousands of students entering the United Kingdom who were bogus.

Kevin Brennan: I am concerned about the potential existence of bogus colleges and indeed bogus colleges have been discovered previously by investigations which have taken place. Obviously for non EEA students the system which is in place now makes it very difficult, if not impossible, for them to be able to recruit students and bring them into the country and, on the legacy issue of any students who are here, I think you questioned the Home Office Minister about that and he indicated what measures he is taking to ensure that those students are discovered and dealt with under the immigration system. From my point of view as a new minister with responsibility in this area in the new department, yes, I am concerned, having come into the job a week ago, to look at this and obviously to look at it a bit more intensively given this Committee's interest in it, to take a look at the issue of bogus colleges which may still exist, albeit not being able to bring students in from outside EEA but with a potential still to bring them in from inside the EEA.

Q121 Mrs Dean: My congratulations to you as well. Do you agree with the Association of Colleges and English UK that the continued existence of bogus colleges is damaging the UK's international reputation for quality education, as well as facilitating illegal immigration?

Kevin Brennan: The major problem has been dealt with which has affected the reputation which was this problem that you had Phil Woolas in front of you about, the problem of non-EEA students coming to the country, being brought in by bogus colleges, insufficient checks, et cetera. The new register is a very, very important step in dealing with that but I do take seriously what the AoC, the Association of Colleges and English UK are saying about the potential continued existence of bogus colleges, albeit ones which cannot now bring people in from outside EEA countries. That issue has been robustly addressed. There is a case to look at now

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and possibly to consider some further steps in relation to these institutions which may still be attracting students from countries within the EEA and still may not be providing the sort of education which they should be providing, if they were legitimate institutions.

Q122 Chairman: It is not fair on those who come here as part of the European Union if they arrive here thinking they are enrolling in a college to teach them, for example, English and find out that it has just been created above a fish and chip shop, which is what we heard two weeks ago.

Kevin Brennan: Yes, I read that evidence and obviously that would be completely unacceptable and it would have the potential to have a negative influence on this country's reputation for education which is very high, which remains very, very high, it is one of the most popular places in the world to come and study. In relation to that, I am considering what steps we might be able to take to try to deal with that residual issue of bogus colleges which are attracting students from within the EEA countries.

Q123 Mr Winnick: You said you had read our evidence. In your busy life did you also read the article of 21 May where Andrew Norfolk wrote about these scams, because there is no other way to describe them? Have you read the article?

Kevin Brennan: Yes, I have and I have a copy of it in front of me right now.

Q124 Mr Winnick: It does not reflect very well, does it, on any form of control over these bogus places?

Kevin Brennan: As Phil Woolas said in his evidence to you, *The Times*, by producing this article, performed a very useful public service by exposing some of the abuses outlined in the article. What is clear is that the measures which have been taken by creating the register under the UK Borders Agency were absolutely essential and I am glad that robust action has been taken by the Home Office.

Q125 Mr Winnick: I am sure the newspaper will be pleased by what the ministers have said but this is a problem which goes back quite a while, is it not? It is not something particularly new. Concerns about bogus colleges were raised with ministers as far back as 10 years ago. One wonders why there has been so little progress, if at all.

Kevin Brennan: Looking at it, as I have in my brief period in this post, it appears that there has been a gradual ratcheting up of policy in this area and it has been gradual, I would agree with you, in relation to that. There was the creation of the register in the former departments which registered a whole lot of institutions way beyond those who are simply interested in bringing in students from outside the EEA countries. Inspections were introduced as part of that regime as well along the line but clearly the evidence showed that it was insufficient to deal with the problem and that is why the new registers have been created which ensure that those colleges which do sponsor students to come into the UK from outside the EEA are accredited. That gradual

ratcheting up of policy has led us to a position now which is a much longer and more robust position than there has been in recent years. Of course, I understand as you understand from evidence which has been presented to you, that there was originally a register of colleges which was abolished by an announcement in the House of Commons in 1980 by someone called Dr Rhodes-Boyson whom I remember from my boyhood.

Q126 Mr Winnick: Yes, we remember him. You say "accredited", those colleges which receive overseas students, but accredited from when? When is this system in operation?

Kevin Brennan: The new register for the UKBA?

Q127 Mr Winnick: Yes.

Kevin Brennan: My understanding is that the IT system will be fully up and running by the end of the year which enables the Home Office to communicate directly with these institutions, but the register itself is already in place and students wishing to come to study in this country under the new points system would have to be sponsored by an institution on that register.

Q128 Mr Winnick: I wonder whether I might put this question to you which was not really a question for your ministerial colleague dealing with immigration control or what have you. Why is it that every establishment which wishes to provide education is not registered? Is it not your view that it does seem rather odd that anyone can start an education establishment whether or not they receive overseas students, because, as you say, that is going to change, without any form of registration control?

Kevin Brennan: I do think there is a case to look again—

Q129 Mr Winnick: Urgently?

Kevin Brennan: Certainly urgently.—at the extent to which there is a case to be made for registering or accrediting institutions which are offering courses of this kind and I am happy to undertake to look at that in the context of this debate and this inquiry you have been having. Obviously I shall be very interested to hear your conclusions, having taken evidence and looked at this, and to respond appropriately to the recommendations you may choose to make around that.

Q130 Bob Russell: There is a massive problem here. Mr Winnick has put forward a very simple solution to deal with it. I put forward a second simple solution which any man or woman on the Peckham Omnibus would immediately realise was a way of resolving it, namely, why do you not use the 2006 Companies Act to restrict the use of the title "college" to legitimate institutions, legitimate institutions which have been registered. It is very simple. Why not go for a simple solution instead of trying to find complicated reasons not to do it?

Kevin Brennan: Mr Russell has asked exactly the same question that I asked of my officials when I first started looking at this. There is a case to look at that.

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Q131 Chairman: What was their answer?

Kevin Brennan: Their answer was “You may wish to look at that Minister, if that is your view”.

Q132 Bob Russell: Yes, Minister.

Kevin Brennan: Yes, Minister was the answer. There are terms which are protected, as I am sure the Committee is aware, like “university”, I think even the term “institute” might be protected; I will have to check that. It does seem to me that on looking at it from the point of view of a man or woman on the Clapham Omnibus it does not seem logical that the term “university” should be protected but that “college” should not be protected. So what I can say to the Committee is that I am happy and I will undertake to look at this again in the context of the 2006 Companies Act and there is an opportunity in the autumn for us to consider. I do want to consider the implications before committing myself to anything in relation to this. It is a point well made and one which needs to be looked at very carefully and I undertake to do that.

Q133 Mr Winnick: Do not let Sir Humphrey stop you.

Kevin Brennan: I shall try my best.

Q134 Bob Russell: I think the Winnick resolution to this problem of official registers and only people on the official register being able to use the word “college” is so straightforward and simple that I am sure both Mr Winnick and myself are happy to allow our names to be attached to that resolution.

Kevin Brennan: What I should say is that of course it would not be retrospective, so we still have that issue to consider and we would not want it in any way to impinge upon organisations which legitimately use the term “college” in their title, including schools, for example. It would not do anything of that kind but it would for the future potentially, if we chose to go down this path, protect that term.

Q135 Bob Russell: I am pretty confident that Sir Humphrey could come up with sufficient words to deal with that additional issue just raised. How can you ensure closer working between the Department for Business, Innovation and Skills and the Home Office to close what are not loopholes but are yawning chasms, as we have discovered while we have been taking evidence?

Kevin Brennan: We do work very closely together and the new department—and I will certainly commit to this Committee—should work very closely with the Home Office in terms of picking up intelligence, passing that on. There is a body called the Joint Education Task Force, which has representation from the Home Office, representation from my department, representation from the sector itself on it in which these issues can be discussed.

Q136 Chairman: When did it last meet?

Kevin Brennan: I cannot answer that; I have only been in post for the last few days. I can certainly provide the Committee with that information. May

I just say something to follow on from what Mr Russell asked me earlier, because I think it is important? One of the implications, if we did go down the path of protecting the word “college”, would be something which I think Mr Winnick was referring to which is that would then lead to a necessity for some sort of accreditation for organisations which did have the term “college” in their title. As well as undertaking to look at whether we can do something about protecting the word “college” I will also undertake at the same time to look into how we might then make that a reality in terms of accrediting those institutions which are allowed to use that term and that would have to be an integral part of examining the protection of the word itself.

Q137 Bob Russell: I am sure there is a way. After all, if Eaton College can be registered as a charity, then anything in the world is possible.

Kevin Brennan: That is a matter for the Charity Commission rather than for me.

Q138 Bob Russell: So as we can be satisfied that the new minister is very much on the case, the urgency, the determination to deal with this. What action do you intend taking to stamp out or deal with people who are offering courses which are not legitimate?

Kevin Brennan: As I have just indicated, there are powers in place already to deal with it and new powers which are coming into force as part of the Companies Act. There are powers in place already in relation to the use of trading standards legislation and in the criminal law in relation to fraud and where matters are reported to Trading Standards or to the police, there can currently be investigations. In the autumn, under the Companies Act, a new offence comes into force which is the offence of carrying on business under a seriously misleading name. That new offence can be used to prosecute bogus institutions of this kind and on top of that, as I have already indicated to the Committee, I am happy to look at the issue of protecting the word “college” without committing myself to any course of action at this stage and also the implications that has for accreditation.

Q139 David T C Davies: Congratulations by the way on your new post. Do you share Universities UK’s concerns about the Accreditation Service for International Colleges?

Kevin Brennan: I have read about their concern in your evidence. Of course this is a body which was appointed by the Home Office to be one of the bodies to accredit organisations which will go onto the new United Kingdom Borders Agency register of institutions which can sponsor students from outside the EEA. My understanding is that under the new system Ofsted oversees those organisations and that the UK Borders Agency are currently undertaking a review of those accredited organisations on the list right now and that that is due to report shortly. Probably at this stage, rather than me speculating on the basis simply of what I

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have read from your evidence, it would be better to hear what they have to say when they undertake that review.

Q140 David T C Davies: That is absolutely fair. I had a long conversation with them about this as well. One of the points they raised with me is that they do not get the information on the number of students who are enrolled at a college. I think I quote exactly when I say that they told me that if they had that information that would solve 90% of the problems because a college which is set up to teach six people is obviously going to look very different from one which is set up to teach 600. They do not get that information. Following on from Mr Russell's point, would you tend to agree on the surface that that is a sensible suggestion, that they should have that information and it should be readily available?

Kevin Brennan: Obviously that information would be extremely useful to have. I cannot speculate at this point on that particular organisation itself until I have the report.

Q141 David T C Davies: No, but in principle does that sound to you a reasonable suggestion for accreditation bodies?

Kevin Brennan: It does.

Q142 David T C Davies: Another suggestion is that where accreditation bodies report suspicions about a college and I think that ASIC have reported about 10 out of 200 that they suspected, there does not appear to be very much feedback from UK border authorities so accreditation bodies do not know whether or not the information they are giving is being acted upon, is relevant or whether they are barking up the wrong tree. Bearing in mind that you have only been here a week or two, can you see that is a reasonable argument on the surface? It seems reasonable to me.

Kevin Brennan: It would be sensible for me to look at that in a bit more detail than I have so far before I commit myself to a position on it. Clearly the purpose of the accreditation agency is to give the UK Borders Agency an indication of whether or not they think that an institution is a proper education establishment and one which is offering good quality courses for the students who are applying to come in from overseas. Clearly one would anticipate that under those circumstances the UK Borders Agency would feed back in some way when they receive that information, but I think I need to look at it in a bit more detail before saying anything further.

Q143 David T C Davies: Finally, and equally as importantly, could you look at another issue which accreditation bodies raised with me which is that they almost always have to give notice because of these sorts of accreditation that they undertake. Without going into lots of detail, they have to give a certain amount of notice. I accept the argument they put to me for giving notice for one part of the accreditation but what I fail to see is why they cannot follow that up with unannounced visits subsequently. To me it is absolutely ludicrous that

very few unannounced visits take place to these colleges and that when unannounced visits do take place they very often reveal concerning information. Would you not agree that, as part of the accreditation process, there may well have to be an announced visit but it will have to be followed up at some point during the school term, college term, with an unannounced one.

Kevin Brennan: I do not want to stray too far into the Home Office's responsibilities and outside my own, but my understanding is that in any process there ought to be both announced and unannounced inspections. I could not comment on the detail of what is the right balance without looking at it and checking my worries.

Q144 Mrs Cryer: Congratulations Minister on your new appointment. I just want to move away from bogus colleges to proper colleges and universities which take in students from overseas. They have apparently determined that they will boycott new rules on monitoring overseas students' attendance and they voted at their annual conference to boycott these checks on foreign students, arguing that such "snooping"—a loaded word—would place a strain on the relationship between staff and students. If students are not turning up, it is not going to place a strain on a relationship which does not exist. I wondered what your attitude would be and what you are going to do if they carry this threat out not to do the checks.

Kevin Brennan: The first point to make is that that is not yet mandatory and will not become mandatory until the new IT system at the Home Office is in place which will enable the Home Office to be able to check and link up with the universities' systems. However, I have to say that I do not think it is unreasonable, when students are coming in from outside the EEA to study in this country, that the sponsoring institution be required to indicate that they are actually turning up and are actually attending their courses and being students, which is what that institution sponsored them to come into the country to do and is presumably receiving fees for at the same time. That is even before you consider the other issues, the Home Office issues around making sure we are checking who is coming into the country and what they are doing whilst they are students. I do not think it is an unreasonable requirement.

Q145 Chairman: This is actually quite restricted compared with what we have heard the Secretary of State saying. You are saying that it is all about checking whether they come to courses, they attend and they are completing their courses. That is all. No intelligence gathering at all.

Kevin Brennan: It is extremely important that that is checked and that they are *bona fide* students.

Q146 Chairman: But that is it.

Kevin Brennan: I am not aware of the detail of what might be required beyond that that the universities might be concerned about. That is really a matter for the Home Office. However, in relation to making

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sure that students turn up and are attending their courses and are *bona fide* students that is a minimum requirement that any institution should have to follow and I hope that, in discussing this in detail, the concerns which are obviously there amongst university teachers about this can be ironed out.

Q147 Mrs Cryer: Do you think there is some misunderstanding? Do you think they are thinking in terms of what the Chairman has just said when in fact all the department are asking is that we actually check that they do turn up for these courses?

Kevin Brennan: I suspect that there may be some misunderstanding in relation to this and that in discussing it, it may be possible to clear that up. I do understand university teachers want to do their job and teach their students. On the other hand the sponsoring institution has a clear duty, it seems to me, to make sure that students they are sponsoring to come into the UK are genuine students and are genuinely attending their courses.

Q148 Mrs Cryer: Should they persist in this attitude that they will not report where students are simply not turning up, what sort of position do you think your department may take? For instance, would you allow them still to use their position in order to promote a student visa for these people, if they are not prepared to do their bit on it? I am not sure why they should be allowed to promote student visas for that college if they are not prepared to let the organisation know that these students are actually turning up.

Kevin Brennan: Clearly it is preferable to try to resolve the disagreement that there is through appropriate discussion in the appropriate way. However, ultimately you are right that at the end of

the day it is possible that an institution would not be allowed to be a sponsoring institution if it were not willing to make those sorts of checks.

Q149 Chairman: You are clearly very concerned about this issue; it was brought to your attention on day one, as you say, as the new minister responsible. You talked about looking at it and coming back with some further proposals. Do we have a timetable as to when you are proposing to do this? Obviously the Committee feels that this is a very serious issue, that the Home Office is only part of the issue which is the entry clearance aspect. The actual education institutions are under your department, but it is only half the battle if they are prevented from coming in, because there are obviously other students who are attending courses. We also have the problem of the students who are here already, who are seeking to extend their visas at the end of the period that they have their visas for. Do we have a timetable as to when this might be done?

Kevin Brennan: The logical timetable to follow would be related to the implementation of regulations around the 2006 Companies Act relating to what we discussed about possible protection of the term “college” and other measures around accreditation. That is due to happen early in the autumn. I cannot commit to an exact timescale because I have only just told officials this is what I want them to do, but that is what we will be looking to try to achieve.

Q150 Chairman: I can give you my timetable. The Committee will publish its report in the week commencing 13 July.

Kevin Brennan: That is very helpful and I am sure it will be very useful to what we are trying to do.

Chairman: Minister, thank you very much for giving evidence and for the assurances you have given us today. Thank you very much.

Written evidence

Letter from Baroness Warwick, Chief Executive, Universities UK

Universities UK wrote to Liam Byrne in July 2007 to express concern about the decision to approve the Accreditation Service for International Colleges (ASIC) as one of the accreditation bodies within the new immigration system. ASIC did not exist in terms of a web presence until its approval as an accreditation body was announced in July 2007 and despite repeated requests by Universities UK officers to civil servants there is a lack of information and transparency about its management, governance and financial structures. Its website provides no inspection reports for its accredited colleges or a list of its inspectors. Several of the colleges that it accredits have been associated with inappropriate activities. Universities UK did not receive a reply from the Minister.

Universities UK has continued to raise concerns in meetings with Home Office officials but no action appears to have been taken. Recent events in North West England have demonstrated that the accreditation arrangements require further improvement to try to ensure that only reputable education institutions offering quality education are able to bring international students to the UK.

May 2009

Memorandum submitted by the Association of Colleges

THE ROLE OF FURTHER EDUCATION COLLEGES IN THE EDUCATION SYSTEM

The Association of Colleges (AoC) represents and promotes the interests of Further Education Colleges and their students. Colleges provide a rich mix of academic and vocational education. As autonomous institutions they have the freedom to innovate and respond flexibly to the needs of individuals, business and communities.

The following key facts illustrate Colleges' contribution to education and training in England:

- Colleges have three million students.
- 737,000 of these students are aged 16 to 18 which compares to 471,000 in schools.
- Half of all entrants to higher education come from Colleges.
- Colleges teach over 60,000 students from outside the UK.
- Colleges provide half of all vocational qualifications.

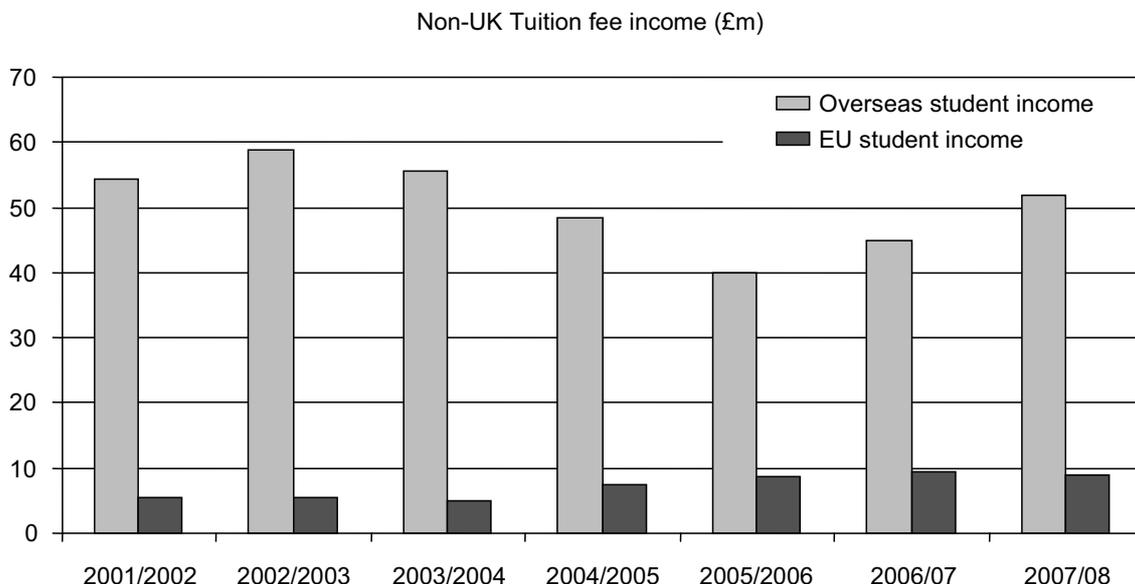
Colleges are centres of excellence and quality. 84% of employers training through a College are satisfied with the service provided. 97% of colleges inspected in 2007–08 were judged satisfactory or better by Ofsted for the quality of their provision.

For more information on Colleges please see www.aoc.co.uk

COLLEGES AND INTERNATIONAL STUDENTS

Colleges in the UK enrol about 80,000 international students a year, about half of whom come from the European Union and who are free to travel without visas. Colleges recruit about 40,000 students from outside the EU. The most popular countries of origin are China, India, Pakistan, Japan and Iran. 80% of colleges recruit at least one international student a year.

International student income is worth £50 million a year to colleges in England. After a few years in which income fell slightly, income has been growing since 2005–06:



THE PRIME MINISTER'S INITIATIVE FOR INTERNATIONAL EDUCATION

In 1999 the former Prime Minister, Tony Blair, launched an initiative to expand international activity in universities and colleges. In 2005, he launched a successor strategy, which is being continued under Gordon Brown. This is called the Prime Minister's Initiative 2 (PMI2) and has four interconnected strands of work:

- promote the benefits of a UK education to international students;
- ensure international students have a positive UK experience;
- help UK and international education providers to build partnerships and alliances; and
- diversify and consolidate markets.

The initiative seeks to maintain the position of UK institutions at a time when education is becoming increasingly global and where students and academics look further afield to seek knowledge and skills. Research commissioned by the British Council estimated that UK education exports are worth £12.5 billion a year, with international student recruitment accounting for £8 billion (source: British Council, *Prime Minister's Initiative, Making it Happen*).

THE NEW IMMIGRATION RULES AND COLLEGES

The Government's strategy to manage migration better was developed in 2004 to address rising public concern over immigration. The Home Office's five year strategy announced a number of reforms including the introduction of a points-based system (PBS). The current arrangements, in which there are seventy-three routes, will be rationalised into a smaller number of tiers.

There are five tiers of immigration under the new system, as follows:

- Tier 1—Highly skilled migrant visa.
- Tier 2—Skilled worker visa (with existing job offer).
- Tier 3—Unskilled workers visa.
- Tier 4—Student visa.
- Tier 5—Temporary worker visa (non-economic migration).

The existence of Tier 4 allows the UK Government to distinguish students from other migrants and should help to ensure that the immigration rules are tailored to the student experience. The Home Office consults with a Joint Education Taskforce to take advice on these issues.

The practical implication of the new rules are as follows:

- student visas are issued for study periods of six months or more. There are two types of student visa—one covering child students (up to the age of 18), the other covering general students;
- decisions on who obtains a visa are made by the UK Borders Agency. Student visa applications require a Certificate of Acceptance for Studies (CAS) from a licensed sponsor; and

- students need to demonstrate evidence of financial support and academic progress. The rules require sponsors to report non-compliance with the rules to UKBA.

SPONSORING INSTITUTIONS

The rules require education institutions offering places to study in the UK to register as sponsors. Sponsorship registration is only offered to those education institutions accredited by OFSTED or one of another five or six accrediting bodies, for example the Independent Schools Inspectorate.

To date, 1,500 institutions have registered as sponsors including more than 150 universities and higher education institutions and 204 Further Education Colleges.

Once registered as a sponsor, Colleges can make offers to potential overseas students by entering the UKBA website and entering details of their potential student and their studies onto the Sponsor Management System and generate a virtual CAS (Confirmation of Acceptance for Studies). This is passed onto the potential student who uses it for their visa application. UKBA then considers the visa application on immigration control tests only—they will no longer assess the applicants' suitability to undertake the course of study.

College responsibilities include:

- making sure potential students can undertake a course of study and meet immigration criteria;
- identifying students and filing a photocopy of each overseas student's passport and visa for possible inspection;
- providing relevant documentation to UKBA officers on request;
- allowing UKBA officers access to any of their premises on demand;
- adhering to any action plan agreed with the UKBA Account Manager; and
- notifying the UKBA Account Manager if you cease trading or merge; of changes of personnel authorised to issue certificates of sponsorship (both internal and external); if the overseas student does not turn up for course or takes any unauthorised absence from their studies or discontinues their studies or changes educational institution.

Sponsors will initially be rated as category A, but will be downgraded to category B if there are unresolved issues surrounding the organisation. Sponsorship will last four years, but the UKBA reserve the right to remove any organisation from the list. The UKBA will allocate each sponsor an account manager on a regional basis with whom the sponsoring body must liaise via their authorising officer. Account managers will pay close attention to organisations considered higher risk—those in category B or those issuing large numbers of certificates.

BOGUS COLLEGES AND INTERNATIONAL STUDENTS

Heightened public concern about immigration has thrown light on the long-standing issue of bogus colleges. In the process of drawing up the new register of education sponsors, the UK Borders Agency rejected applications for more than 300 institutions, many of them bogus colleges.

Despite this, it is difficult to over-estimate the damage bogus colleges are doing to the good name of UK education. Reputations have to be carefully nurtured if they are to endure. As a condition of receiving public money all our member Colleges in the UK are subject to stringent regimes of public audit and inspection. When students attend a bona fide College we are confident that they will experience the quality educational course of learning that they seek.

Bogus colleges prey on unsuspecting students who are predominantly from overseas. Once they have paid fees for bogus qualifications they have no recourse available to them. Many students are scared to contact the authorities for fear of deportation. They find themselves in a no win situation and return to their country of origin disappointed and angry at the treatment they have received here in the UK.

HOME OFFICE ACTION TO DEAL WITH BOGUS COLLEGES

The Home Office has taken powers in various immigration bills to deal with poor practice by sponsoring institutions. As we understand it, the powers include:

- Required action plan: listing the steps that a B-rated Sponsor College needs to take in order fully to comply with its obligations and obtain an A-rating.
- Written warning for educating an illegal student: followed by close attention from Border and Immigration Agency enforcement and compliance teams.
- Down-graded on the PBS Sponsorship register: A "B" rating will be publicised, including to prospective students, and will entail a detailed action plan of measures which an employer will have to satisfy to regain an "A" rating.
- Removed from the PBS Sponsorship register: meaning that an employer is unable to bring any student worker to the UK.

- Served with a civil penalty: the sliding scale allows for heavier penalties for repeat offenders.
- Prosecuted for the procuring/use of fraudulent identity documents: employers could be imprisoned for up to two years and/or receive an unlimited fine.
- Prosecuted for knowingly employing an illegal student worker: employers could be imprisoned for up to two years and/or receive an unlimited fine.
- Disbarred as a company director/officer as a result of prosecution: employers convicted of knowingly employing an illegal student worker could be disqualified from forming or managing a company.
- Prosecuted for facilitation or trafficking: employers could be imprisoned for up to 14 years and/or receive an unlimited fine.

The question may be not what powers are available but whether they are being used appropriately.

WIDER GOVERNMENT ACTION

The issue of some organisations trading off the good names of others is not a new one. There have been bogus colleges in operation for years. The current Government action to deal with the problem is welcome but is possibly inefficient.

One solution to dealing with the problem is to restrict the future use of the term “college” to registered educational establishments. We believe that the Companies Act 2006 gives the Secretary of State for Business, Enterprise and Regulatory Reform, powers to restrict the use of the word “college” in business titles. Other names indicating educational provision such as “university” and “institute” are already restricted. Such a change as we propose will bring Colleges in line with other parts of the post-school education system and will help protect students and the reputation of UK Plc.

Companies House has the right to refuse to register certain names without reference to any external authority. Some words may be used in a company name only if permission has been obtained from the relevant authority holding the power to authorise use of that word. Legislation dictates that the Secretary of State for Business, Enterprise and Regulatory Reform must be contacted for permission to make use of 54 prescribed words in a company name.

Organisations wishing to make use of other prescribed names are required to contact the relevant body which oversees the use of these terms before making an application to the Secretary of State. These names include “university”, “polytechnic” and “special school”. There is a presumption that the Secretary of State should approve the use of names which have been agreed by the relevant bodies.

It would be possible to request that the terms “college” should be added to this list, so that Companies House would refuse applications from corporations using “college” in their title without the express permission of whichever relevant body held the authority to use it. This would limit the future use of the word ‘college’ by unscrupulous organisations and individuals.

June 2009

Supplementary memorandum submitted by the Association of Colleges

POINTS BASED SYSTEM

Castle College’s experience of applying for a Sponsorship licence

Castle College is an A rated sponsor within the Points Based System for both Tier 2 (Skilled Workers) and Tier 4 (students).

An A rated sponsor is classed as having all of the necessary systems in place to meet their duties. The second category of sponsorship is B rated. This is a transitional rating for a sponsor who is subject to an action plan.

Category B sponsors may issue sponsorship licenses for workers and confirmation of acceptance of studies letters for students.

Application for a sponsorship licence is a relatively simple matter via the UKBA website. Basic organisational contact and main economic activity details are required together with some organisation information—PAYE/VAT registration numbers.

Applicants for a licence can determine the number of certificates of sponsorship/confirmation of acceptance of studies which they are applying for, justifying the number required.

In making an application educational institutions need to provide evidence of an inspection by an appropriate body such as QAA or Ofsted. A copy of the last Ofsted Assessment Visit report was submitted with Castle’s application.

Castle applied for Tier 2 (Skilled Workers) in August 2008 and received an audit from UKBA on its HR systems in October 2008. This resulted in licence being awarded with a category A rating.

In our experience, we felt it questionable that UKBA would have the necessary resources to visit all applicants for sponsorship licences.

The application for Tier 4 (students) was made in December 2008. A second licence was granted to issue confirmation of acceptance of studies to students as a Category A sponsor later that month.

Whilst Castle College is confident that its systems for learners are compliant with UKBA requirements, no on-site audit was carried out to ensure that this is the case.

June 2009

Response from Phil Woolas MP, Minister of State, Home Office

FOLLOW UP QUESTION FROM THE HOME AFFAIRS COMMITTEE

How many of the educational institutions which have applied to be on the PBS sponsor register have to date been visited by UKBA?

To date we have received 2457 applications from establishments applying to be sponsors under Tier 4 of the PBS. Of these, 1594 of which are now on the Register. As at 5 June 2009 we had conducted visits to 705 institutions and we are committed to visit all of them by the end of July 2009.

The number of these visits which have been announced, and the number which have been unannounced

We have conducted 100 unannounced visits to institutions.

Annual spend by UKBA on accreditation agencies for educational institutions

We do not pay the individual accreditation bodies: they are self funding. However Ofsted do monitor the standards of the other accrediting bodies as well as undertaking some direct accreditation work.

In 2007–08 Ofsted was paid a total of £50,000—the costs of this were met equally by UKBA and DIUS.

The number of individuals so far prosecuted under the Immigration Act 1971 for “facilitating the commission of a breach of immigration law by a non-EU citizen”. The number of these who have been found guilty

The last set of published figures that cover all prosecutions in England and Wales are from the Control of Immigration Statistics 2007. These are figures drawn from the courts and so they cover prosecutions under Immigration Act 1971 undertaken by both UKBA and the Police Forces. Figures subsequent to this have not yet been published.

In total there were 253 cases presented to Magistrates Courts in England & Wales between 2003 and 2007, 62 were found guilty. There were 518 cases sent to trial at Crown Court in England & Wales in the same period and 387 found guilty.

Notes:

- (1) These were all for offences under 25(1)(a) and cover prosecutions by both UKBA and Police Forces. They will also include suspected offences detected at both the border and inland.
- (2) The overall figure of cases at Crown Court may include a number of those already mentioned in the Magistrates Court figure. It will not be a simple case of 771 prosecutions for this offence.

A list of those educational institutions in London which were on the DIUS Register of Educational Providers (REP) but have not applied to or been accepted onto the PBS sponsors register

Links to the DIUS Register of Providers and the PBS register of Tier 4 sponsors can be found at <http://www.bia.homeoffice.gov.uk/employers/points/sponsoringmigrants/registerofsponsors/>

Memorandum submitted by the High Commission for Pakistan

“*The Times*” ran a story on bogus colleges in the UK on 21 May 2009, followed by related stories in its publications for two consecutive days. “*The Times*” story pointed to two colleges, which, reportedly, were owned and administered by Pakistanis in Bradford and Manchester. “*The Times*” story related the issue of bogus colleges to the case of 10 Pakistani students, arrested on 8 April 2009 on allegations of plotting terror attacks during Easter.

It was perceived as a deliberate attempt to link the bogus colleges’ issue to terrorism and malign a particular country (Pakistan) and its nationals. “*The Times*”, regrettably, refused to publish the High Commission’s rejoinder, which contradicts the spirit and ethics of free media and freedom of expression.

Taking note of “*The Times*” story the Home Affairs Committee of the House of Commons initiated an investigation. The High Commission approached the Honourable Chairman of the Committee Mr Keith Vaz, MP, in the context.

The High Commission for Pakistan deeply appreciates the Honourable Chairman’s gesture of inviting to submit this memo to convey its viewpoint, which is reflected as follows:

- The “real issue” was existence of the bogus colleges operating for several years.
- Terrorism and the bogus colleges were two different issues, which the newspaper tried to link without substantiating any evidence.
- The students’ case is subjudiced and, therefore, the High Commission did not consider it appropriate to deliberate on an issue that is going through a judicial process. The newspaper’s attempt to link the students’ case to the issue of the bogus colleges not only expected to have a direct or indirect bearing on the case but also tend to distract attention from the “real issue”.
- After the implementation of newly introduced “points based system” the number of eligible colleges came down from over 15,000 to 1,600. Remaining colleges were de-listed and rendered ineligible to offer admission to the foreign students.
- By singling out two colleges owned by Pakistan origin British Citizens, the newspapers bias against Pakistan was not only obvious but also called into question the norms of objective journalism/who were the other colleges run by.
- The story made no mention of other thousands of colleges which were rejected or de-listed or people running those institutions.
- All foreign students were not Pakistanis and not all 13,000 plus de-listed colleges were owned by Pakistani descent British citizens.
- The issue was not about the nationals of a particular country but about the genuine students from many countries who were victimised and cheated by the bogus colleges, forcing the financially hard-pressed victims to commit more errors.
- Therefore, the issue of bogus or sham colleges need to be tackled by the British Government in its correct perspective and appropriate measures are required to be taken to save students from falling in their traps.

June 2009

Memorandum submitted by the Accreditation Service for International Colleges in response to the letter from Baroness Warwick

In 2007 ASIC, the Accreditation Service for International Colleges, successfully applied to become a recognised UKBA Accrediting Body. The rigorous approval process over a period of three months was carried out by members of Ofsted and resulted in Ofsted recommending ASIC’s approval to UKBA. This process was identical to that to which other accrediting bodies such as BAC and Accreditation UK were subjected. ASIC was the only new organisation of the several that applied to receive approval.

The Committee can confirm that ASIC was registered with Companies House on 3 January 2007, Company No 06040297, and that ASIC’s accounts are available for inspection by the public. The Company is a not for profit company and any surplus money is donated to various charities, including the Rose Education Foundation, established by Mr Dimmock and his wife, to support orphans and other disadvantaged children in Malaysia, Thailand and Sri Lanka and to provide scholarships for disadvantaged students. To date nine scholarships have been provided to enable such students to study at UK universities and colleges. It should be noted that none of the directors or officers of ASIC takes any fees or salaries thereby increasing the Charitable donations. The Rose Education Foundation was registered in November 2008 with the Charity Commission no 1126903; the accounts have been submitted to the relevant departments.

ASIC has adopted a rigorous, but supportive approach to the accreditation of private colleges, which has been much appreciated by the colleges themselves as evidenced by their written feedback on our process.

Accreditation comprises three Stages:

Stage 1: submission by the college of the Application and supporting documentation, which is scrutinised by an Inspector, who identifies any shortcomings in the application and requests the college to provide missing documents;

Stage 2: an inspection visit is undertaken by one Inspector who concentrates on issues such as health and safety, statutory requirements, relations with the awarding bodies, the college’s classroom facilities and student/staff files. Advice is provided on unsatisfactory documentation and records; Time is given to the colleges to correct any deficiencies found during the stage 2 inspection.

Stage 3: a further visit, by two Inspectors, one of whom is the Reporting Inspector, who drafts the final report for consideration by the Accreditation Committee. This visit focuses on management structures of the college and meetings are held with the management team, a group of staff and two groups of students; the approach to learning and teaching, including classroom observations, and quality enhancement are also examined together with student welfare and the college's relations with the Home Office.

The core group of inspectors, who are identified in the Handbook, comprises largely ex-university staff with extensive experience of international development procedures. All inspectors subsequently recruited have received appropriate induction and training to undertake the roles of Stage 2 Inspector, Stage 3 Reporting Inspector or Stage 3 Supporting Inspector as appropriate. The names of the visiting inspectors are given to the college before the Stage 2 and Stage 3 visits and all accredited colleges have completed the feedback questionnaires alluded to above.

All draft final reports are checked and edited by the Accreditation Advisor to ensure that all relevant points have been covered, and that conclusions have been based on appropriate evidence.

ASIC has externally modest but appropriately equipped and staffed offices. Priority has been deliberately given to investing in responsiveness to all stakeholders in the process, exemplified by the frequency of Accreditation Committee meetings, rather than unnecessarily glossy premises.

ASIC has always worked meticulously to support UKBA's remit to protect UK borders and has endeavoured to ensure that only colleges which deliver genuine courses to genuine students have been accredited. Any behaviour by colleges which ASIC has considered to be inappropriate or suspicious in any way has regularly been reported to UKBA, leading in some cases to the college being closed. Records of the frequent contacts in this respect have been maintained.

Finally, details of colleges which ASIC has accredited, together with those moving through the accreditation process are readily available on this website: www.asic.org.uk

RESPONSE TO SPECIFIC COMMENTS MADE BY BARONESS WARWICK

1. *ASIC did not exist in terms of a web presence until its approval was announced in July 2007.*

This is correct as we did not wish to misrepresent who we were and what authority we were operating under.

2. *There is a lack of management, governance and financial structures.*

This is totally incorrect as we are a Limited Company, limited by Guarantee and a not for profit organisation. Our accounts are available for inspection through Companies House. We have monthly management meetings which are formally minuted. These minutes are open for inspection by Ofsted as part of the ongoing monitoring procedures of the accrediting bodies.

3. *Its website provides no inspection reports for its accredited colleges.*

It was proposed by ourselves to the standards and consistency meeting that we would include a full report of each college on the web site. However, it was suggested that this may contravene Data protection. The Standards and Consistency meeting agreed to look at a standard format for inclusion of inspection reports on web sites. This process is near to completion and it is expected that a template will be available at the next meeting.

ASIC's reporting has always been transparent and Final Reports for accredited colleges have been made available to UKBA, Ofsted, the Sponsors' Liaison Unit and members of the Serious Organised Crime Agency, all of whom have been impressed by the information contained and their presentation.

All reports are carefully edited to ensure that all aspects of accreditation have been covered and appropriate evidence presented.

It should be pointed out that none of the other accrediting bodies include inspection report on their websites.

4. *Its website does not include list of inspectors.*

This is totally untrue as all our inspectors are included in the Accreditation Handbook, which is downloadable from the website. Colleges also receive full details of inspectors prior to inspection.

None of the other accrediting bodies list the names of their inspectors on their website.

5. *Several of the colleges it accredits have been linked with inappropriate activities.*

It should be pointed out that a very few of the colleges alluded to have indeed been accredited by ASIC. The main issue is that we need to give two weeks notice of an impending visit and obviously the college prepare accordingly in a similar way to schools prepare for an Ofsted inspection or Universities, a QAA inspection. Our decisions are based purely on evidence gained during the three stage accreditation process.

The colleges alluded to in the Press and in the letter include one college in Manchester which we failed and alerted UKBA and other authorities as to our suspicions. This resulted in the college being closed down and several arrests being made. Another College in London, which has received considerable press coverage, was accredited by us under its previous owners. At this time the college were operating legitimately and had many genuine students registered with approved accrediting bodies. They had also just completed an agreement with the University of Gloucestershire for transfer of their students to the final year of a degree programme. It came to our notice that there had been a change of ownership and that the new owners were operating a scam. We decided to undertake an unannounced visit with two of our experienced inspectors. This resulted in identification of a problem and the various agencies informed. This again resulted in the college being closed down. Unfortunately, this caused a major problem for the genuine students studying at the college. ASIC, however, were able to assist in placing some of these students at other ASIC accredited colleges at no extra cost to the student. This has prompted us to set up a student protection scheme, similar to the Case Trust scheme in Singapore, to protect such students in the future.

There have been many other instances where we have assisted UKBA in identifying possible problems. ASIC are in regular contact with UKBA and have had several meetings with regional officers, especially in the North West.

CONCLUSION

We hope we have been able to demonstrate that these allegations against ASIC are unfounded and that there appears to be a conspiracy amongst some quarters to discredit what we are doing. It is rather strange that no mention has been made of the colleges in a similar position who have been accredited by other accrediting bodies.

ASIC have been extremely vigilant in its accreditation and supportive of UKBA in implementing the new PBS.

We would finally like to suggest areas in which a slight change in the regulations would allow us to undertake accreditation more robustly. The problem we had in Manchester is that we noted the college could only accommodate approximately 120 students. It was then discovered that over a thousand visas had been issued for this college. If we were informed of the number of student visas issued for each college before inspection then this would easily enable us to identify a scam. We think this will rectify itself when the "CAS" system is operational in February.

Another potential area of concern is that students can still come into the country on a student visitor visa for a period of less than six months. The condition is that they may only study at an accredited college. This is going to be impossible to police. Those colleges not accredited will bring students into the country on programmes of less than six months and we know this is already happening. These colleges do have a visit by the compliance unit . . . we don't think.

May we conclude by thanking you for this opportunity to respond to the letter from Baroness Warwick and hope it will help you with your evidence sessions.
