



Student Loans Company



Countering Fraud in Student Funding

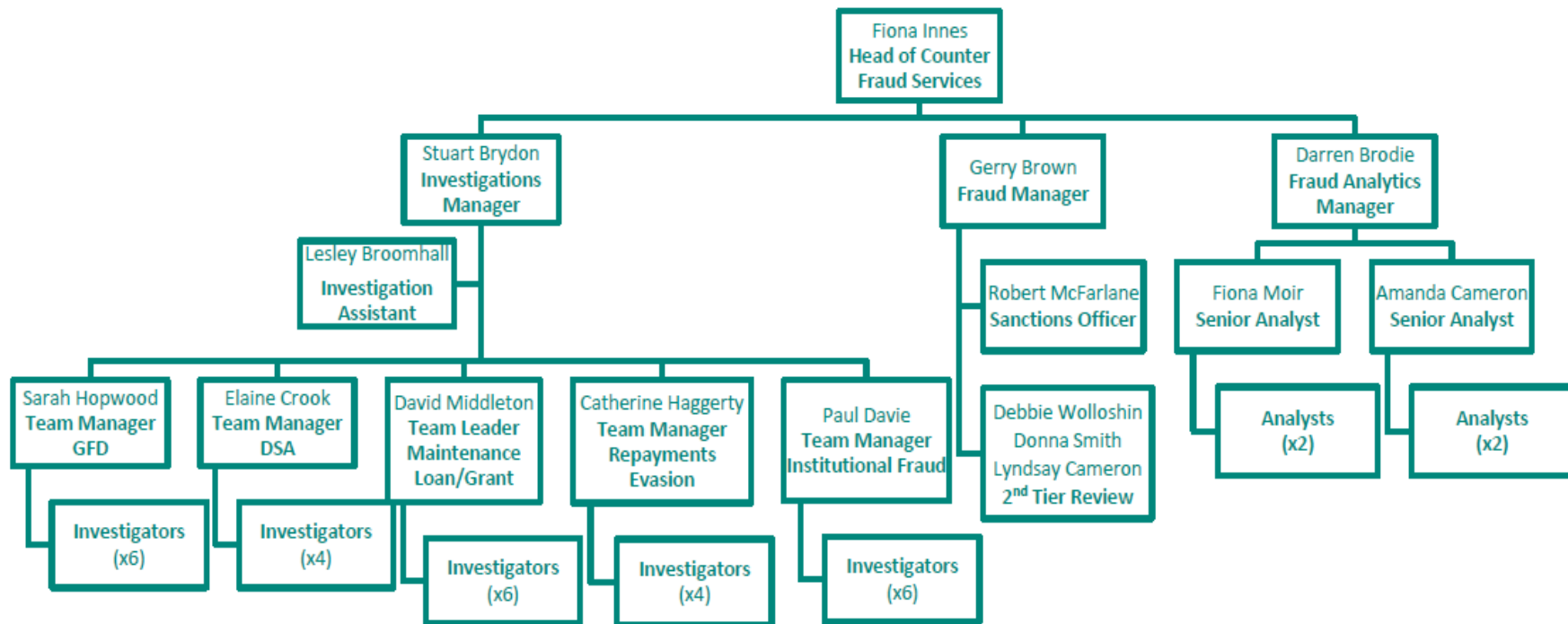




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Who are we?



What do we do?

- Protect Public Funds
- Undertake fraud prevention activity to ensure only eligible customers receive Student Finance
- Investigate potential Repayment evaders
- Analyse Data
- Apply Sanctions
- Litigate

How do we combat fraud?

- Provide Training to investigators
- Investigate – Both internally and jointly with external organisations
- Data matching with CIFAS
- Apply Analytics
- Progress referrals

Top 4 Student Finance Frauds

- Large Scale Organised Fraud
- Household Composition
- Childcare
- Residency

Case Studies – The impact of fraud on HEP's

Example 1 - Insider Threat

Background - CFS Analysts identified a number of Student Loan applications that they believed to be fraudulent. In total, they identified almost 100 suspect applications that were part of the same group.

Initial checks suggested that the applicants themselves were genuine individuals and that there were no indicators of potential identity thefts.

CFS Analysts made enquiries with the College involved and established that the College had no knowledge of any of the applicants, despite almost half of them having had their attendance confirmed.

Investigation - The matter was reported to the Police and the investigation concluded that an employee of the College, previously known to the Police, along with two others had recruited as many people as they could to create Student Loan applications and using another employees User ID, confirmed attendance and therefore released Student Finance payments.

Outcome - At Southwark Crown Court, Suspect A was sentenced to 2 years imprisonment for his part in this fraud. Suspect B was ordered to carry out 120 hours of unpaid work and given a 6 month suspended sentence. Suspect C was ordered to carry out 120 hours of unpaid work and paid £1000 in compensation.

Of the applications that Suspect A confirmed attendance for, 27 received payments totalling £170,416.58. Across all applications involved, payments totalling £712,713.42 were blocked from being paid.

CFS Sample Checking and HEP Engagement

- Fraud prevention activity to be scaled up
- Complete review of application
- Joint working with Providers

How can we work better together?

- Take ownership of Fraud Prevention activity
- Provide information when requested
- Share threats or suspicions as they arise – DON'T KEEP THEM TO YOURSELF
- Feedback on referrals

What can you do?

You may not realise the part you can play however do not underestimate your involvement in Fraud Prevention.

All members of staff and colleagues should have the confidence and authority to report suspicions of fraud, both internally and externally, and raise concerns where areas of weakness in procedures are identified.

Providers can get involved by reporting any irregularities they become aware of, particularly in relation to students:

- Attendance; and/or
- Status

If you have any concerns relating to potentially fraudulent activity please contact us using either

Email: institutional_cfs@slc.co.uk

Phone: 0141 243 3583

If you receive a call from a student who has not received their expected funding on the payment date due, and their bank details have been amended without their consent, calls should be put through to the dedicated phishing line 0141 243 3583.

If a student has received an email asking them to verify their personal information by clicking on a link contained within the email, this should be passed to phishing@slc.co.uk

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