# Entrepreneur Sarwar Khawaja linked to Oxford Business College loan fraud scandal



In the affluent Berkshire commuter belt, a local entrepreneur is making headlines for ambitious ambitions that have stirred intrigue and controversy. Sarwar Khawaja is constructing a lavish home, incorporating two expansive properties along with verdant fields and woodlands, resulting in a sprawling compound that could rival the grandest estates. Neighbours have described the construction process as reminiscent of a James Bond film, with extensive renovations involving a plethora of contractors working tirelessly, even under floodlights at night. The scale of the project is reportedly astronomical, leading to questions about the financial sources behind it.

Khawaja, 56, is not merely a businessman; he is also the director of approximately 15 companies, predominantly in real estate and education. Despite his fervent self-promotion—featuring high-profile interactions with figures like His Majesty the King and public displays of wealth—his reputation is teetering on the brink. In the past few months, he has mysteriously withdrawn from public view, removing a personal website that celebrated his stature as an educational philanthropist and thought leader. This retreat coincided with severe allegations against Oxford Business College (OBC), where he held significant leadership roles since 2018.

The institution, once touted as a model of educational excellence, has recently been embroiled in a scandal linked to rampant student loan fraud. A report by the Sunday Times illuminated that OBC had become a focal point for fraudulent activities, with hundreds of students reportedly enrolling only to secure student loans, with little intention of attending classes. In response to these claims, Bridget Phillipson, the Education Secretary, expressed her outrage in Parliament, indicating that due to credible concerns regarding student recruitment and attendance, 10,000 current students at OBC would be barred from securing student loans.

This dramatic oversight raises alarms about the integrity of the UK's higher education funding system. Investigations revealed that many enrolled students lacked adequate English language proficiency and did not attend classes regularly. A recent government probe identified at least 1,785 fraudulent loan applications linked to several institutions, including OBC, costing taxpayers approximately £22 million. The Department for Education's inquiry determined that the college management had "fallen well short" of expected standards, igniting a fierce legal challenge from OBC which claims it has been unjustly targeted.

Inside the college, the reality appears starkly different from the lofty ideals projected online. Observations reveal a virtually empty campus, contrary to claims of serving thousands of students. Critics have pointed to seemingly systemic flaws in recruiting practices, where 'students' were accepted with minimal scrutiny, often holding full-time jobs while drawing significant loan benefits. The implications of this corruption extend beyond individual institutions; they underscore a broader crisis affecting the educational landscape, where fraudulent practices thrive at the expense of genuine students and hardworking taxpayers.

The ramifications of OBC's situation are profound. The college's financial growth over recent years, with revenues soaring from £5 million in 2020 to nearly £50 million by 2022, raises questions about where these funds are allocated. With the college boasting only two prominent shareholders, Padmesh Gupta and dress designer Titiksha Shah, it is unclear how the vast income translates into dividends.

Moreover, Khawaja's connection to this unfolding scandal has become increasingly murky. His business empire, which includes a company supposedly redefining industry norms, has been scrutinised for its opaque relationships with OBC. Despite the college’s insistence that their practices did not involve knowledge of fraudulent activities, the intertwining of Khawaja’s ventures with OBC suggests a deeper level of complicity and negligence.

As the investigation continues to unravel, the ramifications for the higher education sector will likely be extensive. With public confidence in educational institutions dwindling, it is imperative that steps are taken to rectify the evident injustices and restore trust. The ongoing legal battles and media scrutiny will determine not only the fate of Oxford Business College and its management but also the integrity of the UK's student loan system as a whole. In a landscape where educational access is increasingly commodified, it is clear that more than just buildings and financial success are at stake; the genuine mission of education itself hangs in the balance.

## Reference Map:

* Paragraph 1 – [[1]](https://www.dailymail.co.uk/news/article-14766413/Educational-philanthropist-student-loan-scandal-government-probe.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://www.timeshighereducation.com/news/franchising-college-loses-access-student-loan-funding)
* Paragraph 2 – [[1]](https://www.dailymail.co.uk/news/article-14766413/Educational-philanthropist-student-loan-scandal-government-probe.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[3]](https://www.standard.co.uk/news/education/london-university-loan-fraud-b1219748.html), [[4]](https://wonkhe.com/wonk-corner/dfe-turns-off-the-funding-tap-at-the-oxford-business-college/)
* Paragraph 3 – [[5]](https://noah-news.com/oxford-business-college-faces-ban-on-student-loans-amid-scandal-over-recruitment-and-attendance/), [[6]](https://www.bbc.com/news/uk-41966571)
* Paragraph 4 – [[4]](https://wonkhe.com/wonk-corner/dfe-turns-off-the-funding-tap-at-the-oxford-business-college/), [[7]](https://bylinetimes.com/2024/04/24/back-door-into-student-loan-system-for-organised-fraudsters-left-hanging-wide-open/)
* Paragraph 5 – [[2]](https://www.timeshighereducation.com/news/franchising-college-loses-access-student-loan-funding), [[3]](https://www.standard.co.uk/news/education/london-university-loan-fraud-b1219748.html)
* Paragraph 6 – [[1]](https://www.dailymail.co.uk/news/article-14766413/Educational-philanthropist-student-loan-scandal-government-probe.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[5]](https://noah-news.com/oxford-business-college-faces-ban-on-student-loans-amid-scandal-over-recruitment-and-attendance/)
* Paragraph 7 – [[2]](https://www.timeshighereducation.com/news/franchising-college-loses-access-student-loan-funding), [[3]](https://www.standard.co.uk/news/education/london-university-loan-fraud-b1219748.html)
* Paragraph 8 – [[1]](https://www.dailymail.co.uk/news/article-14766413/Educational-philanthropist-student-loan-scandal-government-probe.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://www.timeshighereducation.com/news/franchising-college-loses-access-student-loan-funding)

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## Bibliography

1. <https://www.dailymail.co.uk/news/article-14766413/Educational-philanthropist-student-loan-scandal-government-probe.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://www.timeshighereducation.com/news/franchising-college-loses-access-student-loan-funding> - The Times Higher Education article reports that Oxford Business College has been denied access to student loan funding after an investigation revealed concerns about its recruitment and attendance practices. Education Secretary Bridget Phillipson stated that the college's management had 'fallen well short' of expected standards, particularly regarding the assessment of students' prior attainment and monitoring of attendance. The college plans to challenge the decision through judicial review, asserting that no findings of fraud or malfeasance were made during the investigation.
3. <https://www.standard.co.uk/news/education/london-university-loan-fraud-b1219748.html> - The Standard article highlights that the University of West London has been identified among the UK's worst institutions for student loan fraud. Since 2022, the Student Loans Company has detected 543 fraudulent applications amounting to £6.2 million from students linked to the university. A significant portion of this fraud is associated with Oxford Business College, a franchised provider contracted by the university. The university terminated its agreement with Oxford Business College in 2022 following a Department for Education investigation into the quality of its provision.
4. <https://wonkhe.com/wonk-corner/dfe-turns-off-the-funding-tap-at-the-oxford-business-college/> - Wonkhe reports that the Department for Education has ceased student loan funding for Oxford Business College after an investigation into its franchised provision. The investigation found that the college's management of recruitment and attendance fell short of expected standards, particularly in assessing students' prior attainment and monitoring attendance. The college intends to challenge the decision through judicial review, asserting that no findings of fraud or malfeasance were made during the investigation.
5. <https://noah-news.com/oxford-business-college-faces-ban-on-student-loans-amid-scandal-over-recruitment-and-attendance/> - Noah News reports that Oxford Business College is facing a ban on student loans following an investigation into its recruitment practices, English language proficiency standards, and attendance monitoring. The investigation revealed that many students had inadequate English language skills and irregular attendance, with some enrolments linked to the use of single computer IP addresses for multiple applications. The college plans to challenge the decision through judicial review, asserting that no findings of fraud or malfeasance were made during the investigation.
6. <https://www.bbc.com/news/uk-41966571> - BBC News reports on a 2017 Panorama investigation that uncovered evidence of fraud in the student loan system. The investigation revealed that education agents were offering to get bogus students admitted into government-approved private colleges for a fee, allowing them to fraudulently claim student loans. The agents also offered to fake attendance records and provide coursework for these students. The chairwoman of Parliament's spending watchdog called for a police probe into the matter.
7. <https://bylinetimes.com/2024/04/24/back-door-into-student-loan-system-for-organised-fraudsters-left-hanging-wide-open/> - Byline Times discusses the vulnerabilities in the UK student loan system that have been exploited by organised fraudsters. The article highlights that franchised institutions accounted for 53% of all fraud detected by the Student Loans Company in 2022, despite representing only 4.7% of the student population. The piece also mentions that Oxford Business College was recruiting students with inadequate English language skills and offering incentives for student referrals, leading to concerns about the integrity of the student loan system.