

British Council's Counter Fraud Cases 2016 – 17*

Date	Location	Allegation	Resolution (inc any sanctions)	Gross loss (GBP)	Lessons learned
April 2016	South Asia	Member of staff suspected of colluding with a local school and allowing verification of exam candidates despite proper payment not being made	The member of staff has been dismissed. Losses recovered from school and staff member.	13,000	Additional reconciliation checks being conducted
April 2016	EU	Company unknown to British Council sent two invoices as if expecting payment. Following checks it was revealed that this was a scam and no order had been raised	Invoices were not paid so zero losses. This has been reported to EuroPol and an internal fraud alert sent out.	zero	Awareness raising around scams conducted plus reiterated importance of invoice checks
April 2016	Americas	Suspected financial malpractice within the exams business.	No evidence of fraud discovered but there were significant breaches of policy and process - two member of staff dismissed	zero	Considerable improvements made to control framework
May 2016	Sub-Saharan Africa	Another matter was reported to the police who requested a payment to investigate	The money was not paid and the matter recorded for transparency	zero	Bribery Act reminder sent to staff, and check on mandatory training completed
May 2016	Sub-Saharan Africa	School reported they'd received an invoice from the British Council with altered bank details	This was identified before any payment was made so no funds lost. Invoice altered after it had been sent.	zero	Additional invoice checks
May 2016	South Asia	Member of staff falsified records to facilitate payments to a part-time employee.	Existing controls identified fraud – individual concerned dismissed	zero	Control framework reviewed

May 2016	Wider Europe	Computer stolen from classroom over a weekend	Reported to police	610	Security reviewed
June 2016	MENA	Request was made for a kickback in exchange for service contract	Individual dismissed	zero	Bribery Act reminder sent to staff, and check on mandatory training completed
June 2016	Sub-Saharan Africa	Staff member stole money coming from sale of furniture	£400 recovered and individual dismissed. Reported to police.	700	Additional reconciliation checks being conducted
June 2016	MENA	Vouchers were stolen from an office draw	Four members of staff were dismissed and money recovered from salaries	270	Security reviewed
June 2016	EU	Fake invoice sent in requesting payment.	Invoice not paid so zero losses. This has been reported to EuroPol and an internal fraud alert sent out.	zero	Awareness raising around scams conducted plus reiterated importance of invoice checks
June 2016	South Asia	Payroll records falsified and signatures forged	Existing controls identified the malpractice. There are no losses. Staff member dismissed.	zero	Control framework reviewed
June 2016	MENA	Staff were claiming overtime they did not complete	Staff member concerned was dismissed	32	Additional control measures introduced
June 2016	EU	Money stolen from office	Money has been repaid and staff member responsible for poor cash handling disciplined.	192	Additional control measures including cash handling advice introduced

June 2016	South Asia	Fake stamp used to authorise bank deposit slips used for payments	Fraud conducted by an external agent and services provided cancelled	3500	Additional control measures introduced
June 2016	South Asia	Agency staff altered official records	Agency staff concerned were dismissed - identified by existing control framework.	zero	Control framework reviewed
July 2016	MENA	Staff member accused of inflating false purchase orders and favouring certain suppliers.	Investigation concluded that allegations were incorrect and there was no evidence of fraud	zero	Additional control measures introduced
July 2016	MENA	The money refunded following the return of accommodation deposit was kept by staff member	Staff member had already left. Legal advice was sought and there was not enough evidence to take further.	1000	Additional control measures introduced
July 2016	UK	Theft of camera	Investigation was conducted but failed to identify who was responsible	100	Asset management process improved
August 2016	Americas	Theft of equipment from locked cabinet	Reported to police	1916	Security reviewed
August 2016	Sub-Saharan Africa	Theft of money following the sale of a generator.	The staff member concerned has been dismissed and the money recovered.	3783	Additional control measures including cash handling advice introduced
August 2016	Sub-Saharan Africa	Theft of IT equipment	Investigation was conducted but failed to identify who was responsible – reported to police	3154	Security reviewed

August 2016	Sub-Saharan Africa	Robbery of laptop	Investigation was conducted but failed to identify who was responsible – reported to police	877	Security advice provided
September 2016	Americas	Allegation of inflating pay to part time staff	Investigation concluded there was breach of policy but no evidence of fraud	zero	Individual subject of disciplinary process – controls reviewed
October 2016	Wider Europe	An organisation forged a document to support allocation of grant	Grant was cancelled and funds refunded in full	6043	Grant application process reviewed
October 2016	South Asia	Allegation that a member of staff has been receiving kickbacks from vendors	Case was investigated – no evidence of fraud was discovered	zero	Improvements to control framework made
October 2016	South Asia	Member of staff provided a false reference to an ex-employee that was dismissed	Following an investigation the individual left the organisation	zero	Reference process reviewed and awareness raised
October 2016	Sub-Saharan Africa	Allegation that a taxi company has been overcharging and claiming for journeys that did not take place	Case was investigated – no evidence of fraud was discovered	zero	Improvements now made including a new contract being in place
November 2016	South Asia	Member of staff used PDF software to alter invoices	Individual has been dismissed – existing controls identified fraud	zero	Control framework reviewed

November 2016	Sub Saharan Africa	Embezzlement of staff association funds	Staff member concerned had already been dismissed for another matter – losses were able to be recovered from their final salary	4000	Extra controls regarding staff association finances put in place
December 2016	MENA	Fraud involving payments for venue hire	Following investigation it was identified that this was not a fraud against the British Council	zero	Control framework reviewed
December 2016	Americas	Corporate card misuse by staff member	Individual dismissed – majority of losses recovered from salary	7093	Significant review of controls undertaken
January 2017	MENA	Theft of money collected from income	Individual dismissed – majority of losses recovered from salary	13082	Additional income reconciliation checks to be completed
January 2017	Sub Saharan Africa	Member of staff requested a bribe	Individual dismissed	zero	Bribery Act reminder sent to staff, and check on mandatory training completed
January 2017	EU	Hoax invoice received requesting payment for goods not ordered	Recorded and reported to Europol	zero	Awareness raising around scams conducted plus reiterated importance of invoice checks
February 2017	South Asia	Member of staff conspired with an agency to claim a reward for a recruitment referral they were not entitled to	Checks identified fraud before payment was made – individual received formal disciplinary outcome following an investigation	zero	Control framework reviewed and checks on mandatory training conducted
February 2017	South Asia	Suspected fraud involving vehicle parts	Investigated but no evidence of fraud found	zero	Controls reviewed
February 2017	Sub Saharan Africa	Member of staff set up a business in direct competition with the British Council	Staff member has been dismissed	zero	Controls reviewed

February 2017	South Asia	Allegation that a member of staff was requesting payments in exchange for work	Investigated but no evidence of fraud found	zero	Bribery Act reminder sent to staff, and check on mandatory training completed
March 2017	East Asia	Forged bank notes discovered in payments	Notes appear to have been provided as income	29	Additional checks conducted
March 2017	East Asia	Staff member forged signature on bank form	Staff member has been dismissed	zero	Controls reviewed
March 2017	East Asia	Staff member was unable to return laptop and mobile phone, later claiming they were lost	Staff member had already resigned - salary withheld to cover losses	714	Controls reviewed

****closed cases only – other cases from 16-17FY have been reported but are still being investigated***