

**British Council's Counter Fraud Cases 2017-18\***

<b>Date</b>	<b>Location</b>	<b>Allegation</b>	<b>Outcome</b>	<b>Gross loss (GBP)</b>
Oct-16	Middle East & North Africa (MENA)	Fake exam certificates were presented as part of immigration application.	Third party fraud - reported to authorities	zero
Nov-16	South Asia (SA)	Fraudulent credit cards are being used to pay for exam services - case reported by Visa via our payment acquirer	This case was investigated and numerous new controls put in place - total losses to issuing banks for this incident was c£500k, of which £48,987 was the liability of the BC	£48,987
Feb-17	Sub-Saharan Africa (SSA)	Fake company has been set up offering to sell BC exam services	This was a third party fraud - it was investigated and reported to the authorities.	zero
Feb-17	MENA	A partner forged (six) bank deposit receipts for exam fees which were provided to us as proof of payment but no money was deposited.	It was identified initially as a bad debit until the confirmation of the forged receipts from the bank – the matter has been investigated and reported to the police. Significant improvements to controls made.	£44,316
Apr-17	SSA	Two prospective teachers on work experience submitted forged receipts for expenses	Forged receipts were identified prior to any payments being made, and the teachers were not offered any employment	zero
Apr-17	East Asia (EA)	Teacher at external exam centre provided forged BC receipts to student	Reported to exam centre - zero losses as teacher refunded student upon discovery	zero
May-17	SSA	Allegation of fraud in procurement process for software package	Following investigation no fraud was identified	zero
May-17	EA	Staff member used prepaid taxi account for personal journeys	Staff member dismissed and money recovered - zero losses	£241

Jun-17	EA	Staff members were asked to pay a bribe at border	Bribe not paid - reported for transparency	zero
Jun-17	MENA	Five individual reports of theft of various items from office occurring over three month period - such as camera & mobile phone	The matter was investigation but those responsible not identified - office security increased	£1,060
Jun-17	UK	Suspected fraud on TEX Card	Following investigation no evidence of fraud was found - code of conduct matter – resulting in disciplinary.	zero
Jun-17	UK	Suspected fraud on TEX Card	Following investigation no evidence of fraud was found - code of conduct matter – resulting in disciplinary.	zero
Jun-17	SSA	Staff member stealing from petty cash	Investigated and member of staff concerned was dismissed. Money recovered in full - zero losses	£2,509
Jun-17	Wider Europe (WE)	Staff member attended multiple English lessons without authority	Staff member pretended to be on a class monitoring exercise. Contract was cancelled and controls modified to prevent reoccurrence	c£150
Jun-17	EA	Temporary staff member stole cash and another staff member's laptop	Investigated and intern was dismissed. Money & property recovered in full - zero losses	£191
Jun-17	SSA	Consultant reported he'd been victim of serious fraud, and alleged BC employees were involved	Following investigation it was identified that the individual was victim of fraud not the BC - no involvement by any BC staff	zero
Jul-17	SSA	Allegations that member of staff was requesting kickback for employment contracts	Following investigation no fraud was identified	zero
Jul-17	EA	Reports from graduates on placement that they were being defrauded by local partners	Following investigation there was no evidence of any criminal matter	zero
Jul-17	UK	Theft of various items from office	Advice provided to staff re security of their property	£1,000

Jul-17	SSA	Suspected fraud on exam refund	Following an investigation it was decided that the incident was due to a genuine error not fraud	£200
Jul-17	SSA	Allegation that exam papers were diverted	Following investigation it was discovered that the papers were lost in transit - reported to courier and new process introduced	zero
Jul-17	EA	Member of staff defrauded colleagues plus claimed to be Head of HR to run a fake recruitment	Money recovered and matter reported to the police. Individual had their contract terminated.	£8,000.00
Aug-17	UK	Theft of laptop	Investigated - loss reported to Global Service Desk.	£1,250.00
Aug-17	WE	Allegation that a staff member has not declared a conflict of interest involving a family member which has resulted in excessive payments being made	Following disciplinary the individual left the BC - improvements to controls made	£2,060.00
Aug-17	WE	Request made from external partner to provide exam result in exchange for payment for a family member	Transaction refused - reported for transparency	zero
Sep-17	MENA	Staff member used personal card to pay for petty cash items instead of the cash that was given to him.	Individual concerned was subject of a disciplinary process - improvement to controls made	£3,100
Sep-17	Americas (AME)	Allegation that a staff member favoured a vendor in the procurement of high value items.	following investigation individual concerned has left the BC - improvements to controls made	zero
Sep-17	SA	Staff member suspected of colluding with a vendor and attempted doctoring of invoice.	Individual dismissed - improvements to controls made	£80

Oct-17	UK	Suspected theft of macbook laptop from the post room.	Security advice provided	c£2,000
Oct-17	AME	Suspected theft of three laptops from office	Security advice provided - reported to police	c£3,000
Oct-17	EA	External company offered bribe in order for imposters to take exam on behalf of staff	Exams were cancelled by BC and company banned - reported for transparency	zero
Oct-17	SA	Allegation of collusion between exams staff member and vendor providing chemicals for exams.	Following investigation no evidence of fraud was found, but significant improvement in controls has been made.	zero
Oct-17	SA	Allegation that a British Council contracted driver dishonestly claimed over time hours which were not worked.	Driver was provided by agency so his services were terminated	approx. £4
Nov-17	MENA	Allegation of collusion between staff members and candidates regarding exam results	Investigation was conducted and no evidence of fraud found - controls improved	zero
Nov-17	EA	Allegation that teaching centre has been provided a discount to local officials in exchange for assistance with work permits and visas.	Investigation identified discount had been given to one official's son on a small number of occasions - this practise has now stopped and new controls implemented to prevent reoccurrence.	£700
Nov-17	WE	Sales Consultant has overstated amount of work completed.	investigation revealed that this is an error instead of a fraud - controls improved	zero

Nov-17	UK	Fake receipt provided at a car wash company for £280 by an individual who stated he was from the British Council.	External investigation by UK police – no involvement by any BC staff member	zero
Dec-17	WE	Letter received from authorities that they are conducting pre-trial criminal investigation over 100 allegedly fake exam certificates.	Providing support to investigation	zero
Dec-17	European Union (EU)	Staff member failed to return work mobile phone after leaving BC claiming it had been stolen in a robbery	Investigation found no evidence that a robbery took place Reported to police	£500
Dec-17	EA	Staff member offered to provide information in exchange for services	Investigation revealed that no evidence to suggest any information was provided - individual dismissed	zero
Jan-18	SSA	Allegation that a staff member had recruited a family member without declaring conflict	Individual concerned was subject of a disciplinary process - improvement to conflicts of interest management made	zero
Jan-18	SSA	Member of staff selling fake certificates for event	Following investigation, member of staff concerned has been dismissed	zero
Jan-18	AME	Member of staff victim of a robbery where a mobile phone was stolen at gunpoint	Security advice provided – reported to police	£100
Jan-18	SA	Cost for importation of headphones from Hong Kong significantly more than PO	Following investigation no evidence of fraud was found, but significant improvement in controls has been made.	zero

Feb-18	EA	Digital marketing fraud #1 where fake sales leads were being provided	Contract with relevant company was terminated	zero
Feb-18	SA	Staff member defrauded the family of a student into paying money for overseas study	Staff member concerned resigned to avoid disciplinary action - reported to police and improvements to controls made	£7,500
Feb-18	SSA	Allegation that members of staff were benefiting for exclusive referrals to one registration partner for exam preparation	Individuals concerned were subject of a disciplinary process and improvements to controls made	zero
Feb-18	EA	Digital marketing fraud #2 where fake leads were being provided	Contract with relevant company was terminated	zero
Jan-18	EU	Robbery of bag containing exam material	Security advice provided, plus reported to local police	c£1000
Jan-18	SSA	Burglary of items from office	The items were recovered from nearby and security advice provided.	c£100
Feb-18	WE	Fraud relating to national staff medical insurance scheme which was given to a staff member's partner who was not eligible for the medical insurance.	Following investigation it is believed that the member of staff concerned acted in error, not fraud, and they have repaid the money owed. Disciplinary action taken.	£273.55
Feb-18	EA	Fraud involving a staff member who had left and not returned the travel advances given by British Council.	Following investigation, various improvements to controls were made. £1,034.00 recovered from salary, balance outstanding and will be reported as a loss. Reported to police	£4,290

Feb-18	EA	A staff member was found to be forging signatures on procurement documentation.	Following investigation it was decided this was done to for ease not for personal gain. Staff member disciplined and left BC – Improvements to controls made.	zero
Feb-18	WE	Member of staff failed to report conflict of interest.	No advantage was identified - provided with formal advice	zero
Feb-18	EA	Three members of staff were found to be overcharging for visa payments and forging receipts.	One member of staff had already resigned, another was dismissed, and the third received a disciplinary outcome - all the money was recovered from the staff member who resigned. Controls improved.	£5,552
Mar-18	SSA	Security Guard collected money from an exams candidate in exchange for an improved IELTS score.	The security guard was dismissed.	zero
Feb-18	SSA	Member of staff submitted expenses claim with forged receipt.	The staff member concerned was dismissed - improvements to control framework made. Losses recovered.	£20
Jan-18	SA	Police arrested a number of people in possession of exam papers	Investigation failed to identify where the breach occurred - the police ultimately dropped the case	zero
Mar-18	SSA	Payments not reconciled on the teaching centre system and therefore believed to have been stolen	Person concerned dismissed - improvements to controls made	£1,962

Mar-18	SSA	External party hired BC auditorium – provided staff member with cash deposit who then stole the money.	The staff member concerned was dismissed - improvements to control framework made	£150
Mar-18	SSA	Allegation that two journalists were employed to analyse listening figures and made up the figures without completing the work.	Individuals concerned were dismissed from partner organisation - reported to donor & funds recovered	£368
Mar-18	WE	Theft of an office mobile phone being carried by a staff member while on holiday.	Reported to police - and on loss register	£82
Mar-18	WE	Following an audit, over several years 2720 books found to be missing from British Council library.	Reported on loss register - improvements to control framework made	zero

\*includes now closed cases from 2016-17 and excludes still open cases from 2017-18