

# Nurse Bank Overpayments Briefing Paper

February 2022

Hywel Dda University Health Board

NWSSP Audit and Assurance Services



Partneriaeth  
Cydwasaethau  
Gwasanaethau Archwilio a Sicrwydd  
Shared Services  
Partnership  
Audit and Assurance Services



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### Acknowledgement

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## 1. Introduction and Scope

- 1.1 In December 2021 NHS Wales Shared Services Partnership (NWSSP) Payroll Services identified an error which would have resulted in the overpayment of salaries for nurse bank staff eligible for an enhanced rate of pay.
- 1.2 Whilst overpayments were prevented on this occasion, the Director of Finance requested that Internal Audit seek to establish the root cause of the error and actions taken to prevent reoccurrence.

## 2. Approach

- 2.1 Through enquiries with key officers within the health board and NWSSP Payroll Services, we have sought to establish:
  - a high level understanding of the relevant processes in place;
  - how and why the error occurred;
  - whether there has been a deviation from standard process and/or non-compliance with agreed controls; and
  - whether sufficient action has been planned/taken to prevent reoccurrence.
- 2.2 We have not undertaken testing to assess the operating effectiveness of controls in place.

## 3. Findings

### Background

- 3.1 In order to respond to the increased workforce demands following COVID-19, Health Boards are permitted to offer enhanced pay rates until 31st March 2022 to incentivise hard to fill bank shifts and support service resilience in high pressured areas. These provisions are available for targeted application and do not change the National Terms and Conditions of Service with normal overtime provisions remaining in force.
- 3.2 We were advised that the Health Board initially agreed a rate of time-and-three-quarters (plus unsociable hours enhancements) in August 2021, which increased to double-time in October 2021. Eligible wards/shifts vary within the pay period according to workforce pressures.
- 3.3 In December 2021 NWSSP Payroll Services identified an error where a bank worker had been incorrectly identified as eligible for enhanced payment. Further checks identified more than 450 ineligible staff due to receive the enhancement, which would have resulted in an overpayment of around £121,000. Fortunately,

overpayment was prevented on this occasion. However, NWSSP Payroll Services advised that errors also arose in November 2021 with 15 underpayments and 20 overpayments, which are in the process of being recovered. We understand that these were related to a separate issue that has already been addressed.

### Process

3.4 The process / controls for administering enhanced payments to bank staff is not documented so was ascertained through discussion with the Senior Workforce Manager and NWSSP Payroll Manager as follows:

- Details of bank shifts worked are transferred via interface from the Allocate e-rostering system to the ESR payroll system.
- NWSSP Payroll Services extract a report from ESR with the details of shifts to be paid, this is sent to the Health Board Roster Team to identify which shifts are to be paid at double time.
- The Roster Team use a 'V Lookup' function in Excel to identify relevant shifts by cost centre and date. The report should be independently checked then returned to NWSSP Payroll Services for processing.

### How and why the error occurred

3.5 Bank staff had been incorrectly identified by the Roster Team as eligible for enhanced payment:

- The V Lookup table used in a prior month had been applied to the payroll report received in December 2021.
- The format of this report differed to the previous month, so the V Lookup table required amendment.
- An error in this amendment resulted in incorrect shifts/cost centres being identified as eligible for the enhanced payment.

3.6 The pay file was not subject to independent checking prior to submission to NWSSP Payroll for processing:

- The process described at paragraph 3.4 point 3 above is undertaken by the E-Rostering Advisor (band 5).
- The pay file was sent directly to NWSSP Payroll for processing without prior independent checking, copied to the Head of Digital Workforce Solutions and Senior Workforce Manager.

3.7 The available timeframe for processing the interface, receiving the pay file from NWSSP Payroll Services and identifying shifts eligible for enhancement is extremely tight (less than two days). The process must be completed quickly which increases the risk of human error, with limited time for checking to identify any errors. There is very limited scope for extending the timeframe due to the need to capture all payments due and adhere to payroll cut-off dates.

### Action Taken to Prevent Reoccurrence

- 3.8 The Senior Workforce Manager advised of the following completed actions:
- i. The Allocate interface file is now sent to NWSSP Payroll Services two hours earlier to extend the available timeframe for the creation, checking and processing of the pay file.
  - ii. NWSSP Payroll Services have standardised the format of the pay file.
  - iii. A 'how to' guide has been developed, setting out the step-by-step process for checking the pay file.
  - iv. The checking process has been improved and now involves preparation of the enhanced pay file independently by two individuals with agreement of balances, and further independent checks to identify any cost centres and pay bands not eligible for enhanced rates.
  - v. All E-Rostering staff have been trained in the checking process to ensure that checks can be completed prior to the pay file being sent to NWSSP Payroll Services for processing by the E-Rostering Workforce Manager.
- 3.9 We understand that amendment to ESR to add pay rules for time-and-a-half/double time for bank staff is being explored nationally but will require agreement from the system provider and time to implement.

### Conclusion

- 3.10 The error occurred as a result of a number of contributory factors set out at paragraphs 3.5 – 3.7 above involving human error and weakness in the controls for the preparation and independent checking of the enhanced pay file.
- 3.11 Overall, we are satisfied that the actions taken by the Health Board to reduce the risk of error are reasonable, albeit contingent on ongoing compliance.



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