

## **Additional Hours and Overtime**

### **Internal Audit Report**

## **Public Health Wales NHS Trust 2020/21**

**June 2021**

## **NHS Wales Shared Services Partnership**

### **Audit and Assurance Services**



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Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Institute of Internal Auditors.

### **ACKNOWLEDGEMENT**

NHS Wales Audit and Assurance Services would like to acknowledge the time and co-operation given by management and staff during the course of this review.

### **Disclaimer notice - Please note:**

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## 1. Introduction and Background

Our review of additional hours and overtime was requested by Public Health Wales NHS Trust ('Trust') following information received from the Fraud Advisory Panel of 'current Covid-19 fraud risks' which included insider fraud such as hours worked.

In July 2020, management reported to the Business Executive Team that staff have had to work more flexibly during the pandemic, which included working additional hours and above their contracted hours. The Trust introduced a new Covid-19 staff claim form for claiming overtime and enhancements to enable staff to be reimbursed for their additional and unsocial work, and also allowing the Trust to identify these costs separately for reporting purposes.

The report confirming the process for staff claiming Covid-19 overtime, additional hours and enhancements has been updated and refined since its introduction. However, the principles remain the same, with staff claiming payments for Covid-19 related additional work on a separate form to other claims. This form is approved by line managers and forwarded to the Workforce Team who check the forms and submit to payroll to be processed.

The relevant lead Director for the review is the Director of People and OD.

## 2. Scope and Objectives

The overall objective of this review was to evaluate and determine the adequacy of the systems and controls in place within the Trust for the management of additional hours and overtime, in order to provide assurance to the Trust's Audit and Corporate Governance Committee that risks material to the achievement of the system's objectives are managed appropriately.

The areas that the review sought to provide assurance on are:

- Requests for additional hours and overtime are supported by appropriate justification and are appropriately authorised prior to being worked.
- Additional hours and overtime are not duplications of core working hours.
- Claims forms are fully completed recording the hours worked and deducting any unpaid breaks, and these are reconciled to requests.
- Staff use the correct claim form and submit them on a timely basis.
- Claim forms are approved by appropriate personnel and forms are checked to ensure that the hours being claimed are correct.
- Completed additional hours/ overtime are appropriately paid at the correct rate.

- Monitoring is undertaken to ensure compliance with Working Time Regulations (WTR), formally the European Working Time Directive (EWTD).
- Appropriate, accurate and timely reports on additional hours and overtime are produced and distributed to appropriate staff and groups / committees within the Trust. Reports are subject to effective scrutiny and actions are taken where required.

### 3. Associated Risks

The potential risks considered in this review were as follows:

- Inappropriate payments made if timesheets are not properly completed, authorised and checked.
- Staff are working unsafe and unsustainable hours which could affect their wellbeing.


## OPINION AND KEY FINDINGS

### 4. Overall Assurance Opinion

We are required to provide an opinion as to the adequacy and effectiveness of the system of internal control under review. The opinion is based on the work performed as set out in the scope and objectives within this report. An overall assurance rating is provided describing the effectiveness of the system of internal control in place to manage the identified risks associated with the objectives covered in this review.

The overall level of assurance that can be assigned to a review is dependent on the severity of the findings as applied against the specific review objectives and should therefore be considered in that context.

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with established controls within the Additional Hours is **Limited assurance**.

RATING	INDICATOR	DEFINITION
Limited Assurance		The Board can take <b>limited assurance</b> that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with <b>moderate impact on residual risk</b> exposure until resolved.

Staff worked additional hours and overtime during the pandemic to help meet the extreme demands on the services of the Trust. Measures were put in place to document and capture this information, and a claim form was developed so that staff could record and claim the extra hours worked.

We note that many of the employees within the Trust had not previously claimed for overtime so the process was new and unfamiliar. Guidelines were produced to assist staff, but these need further revision to meet the needs of the users.

While all the claims that we looked at had used the correct claim form, the form did not capture some of the information necessary to make the process more effective. For example, key information such as core working hours, shift patterns and the requirement to deduct unpaid breaks was not clear on the forms, or referenced in the guidelines.





Our testing identified errors when reconciling the claim forms to the HR master spreadsheet, which is used to provide overtime information to payroll for making payments, and to finance for monitoring. We also saw differences within sections of individual claim forms where each component has to be completed manually by the employee before submission.

Before January 2021 claim forms were processed by workforce if the line manager had been copied into the claimants' email. After January line manager approval was required before claims can be processed, although we identified instances where line manager approval appeared to be missing.

Since the workforce stream for Covid-19 stood down in September 2020 we have not seen evidence of additional hours information being monitored or scrutinised at an appropriate meeting within the Trust.

## 5. Assurance Summary

The summary of assurance given against the individual objectives is described in the table below:

Assurance Summary					
1	Requests for additional hours and overtime are justified			✓	
2	Duplications of core working hours			✓	
3	Claim forms are fully completed		✓		
4	Correct forms used and submitted on a timely basis				✓
5	Approved and checked by appropriate personnel		✓		
6	Appropriately paid at correct rate			✓	
7	Monitoring of compliance with WTR			✓	
8	Accurate reports produced, distributed and reviewed at appropriate groups and committees		✓		

\* The above ratings are not necessarily given equal weighting when generating the audit opinion.

### Design of Systems/Controls

The findings from the review highlighted three issues that are classified as weaknesses in the system control/design for additional hours.

### Operation of System/Controls

The findings from the review highlighted five issues that are classified as weaknesses in the operation of the designed system/control for additional hours.

## 6. Summary of Audit Findings

In this section, we highlight areas of good practice that we identified during our review. We also summarise the findings made during our audit fieldwork. The detailed findings are reported in the Management Action Plan (Appendix A).

### **Objective 1: Requests for additional hours and overtime are supported by appropriate justification and are appropriately authorised prior to being worked**

We identified the following finding:

- At the beginning of the pandemic workloads increased dramatically, with staff working weekends and evenings across a range of locations performing a range of tasks. From our discussions with management, due to these challenging circumstances, justifying additional hours and overtime in advance was not always pragmatic.

While there is an authorisation process in place, the existing guidance for pandemic related additional hours does not require advanced justification to be recorded. We have recommended that updated guidance should consider this. (Finding 8)

### **Objective 2: Additional hours and overtime are not duplications of core working hours**

We identified the following findings:

- The Covid-19 overtime claim form does not capture information that could be used by the Trust to identify duplicate claims. (Finding 1)
- As part of our fieldwork we looked to agree the information on the HR master spreadsheet with that on the shift log and pay return sections of the claim forms. There were errors in the sample that we tested and we identified one instance of a duplicate claim. (Finding 5)

### **Objective 3: Claim forms are fully completed recording the hours worked and deducting any unpaid breaks, and these are reconciled to requests**

We identified the following finding:

- The detailed information input to record additional hours worked per shift does not feed through to the summarised monthly section of the claim form. Both parts must be completed manually by the employee, increasing the chance of error. Our testing identified instances where claim forms were not complete.

Guidance on the claim forms is silent on how to record unpaid breaks. Our testing identified that some staff members were adjusting their claimed hours for breaks, but most were not. (Finding 1)



**Objective 4: Staff use the correct claim form and submit them on a timely basis**

We note the following areas of good practice:

- We reviewed a number of emails that were approving the claim forms and evidenced that the claim forms had been sent to HR on or before the cut off submission date.

We did not identify any findings under this objective.

**Objective 5: Claim forms are approved by appropriate personnel and forms are checked to ensure that the hours being claimed are correct**

We identified the following findings:

- Before January 2021 claim forms were processed by workforce if the line manager had been copied into the claimants' email. After January line manager approval was required before claims can be processed, although we identified instances where line manager approval appeared to be missing. (Finding 2)
- At the time of our fieldwork, the HR spreadsheet, which is a key document in the process, was not updated to include supplementary pay data, so late claims would not be used to inform WTR monitoring reports.

We understand that where data does not copy across from the claim form to the spreadsheet, the HR team manually re-input the information from the claim form onto the master spreadsheet. (Finding 3)

- Our testing of shifts detailed on the HR master spreadsheet identified instances where the information did not reconcile to the claim form. (Finding 5)

**Objective 6: Completed additional hours / overtime are appropriately paid at the correct rate.**

We identified the following finding:

- We carried out testing to ensure that the correct enhancements were being paid based on the shift logs. We identified a small number of instances where these were not correct. (Finding 6)

**Objective 7: Monitoring is undertaken to ensure compliance with Working Time Regulations (WTR), formally the European Working Time Directive (EWTd)**

We note the following area of good practice:

- In recent months the Trust has developed a report to capture the employee's compliance with Working Time Regulations (WTR). Staff who work longer hours are monitored and discussed at the monthly business partner meeting. This information is also shared with the

Head of departments and they are asked to consider various key issues when reviewing the information, such as:

- the sustainability of the total hours being worked each day;
- long periods of consecutive days being worked without days off;
- long days being worked without breaks being identified.

We identified the following finding:

- While staff working longer hours is monitored, and in February 2020 staff were asked if they wanted to opt out of WTR, there is no central record of staff that have opted out. (Finding 7)

**Objective 8: Appropriate, accurate and timely reports on additional hours and overtime are produced and scrutinised.**

We note the following areas of good practice:

- A high-level overview of the overtime hours worked due to the pandemic was presented to the Board between June and September 2020. In July 2020 a related paper was shared at the Business Executive Team (BET).

We identified the following finding:

- Since the workforce stream for Covid-19 stood down in September 2020 we have seen no evidence of additional hours information being monitored or scrutinised by the Board, its committees, or groups within the Trust. (Finding 4)

## 7. Summary of Recommendations

The audit findings and recommendations are detailed in Appendix A together with the management action plan and implementation timetable.

A summary of these recommendations by priority is outlined below.

Priority	H	M	L	Total
<b>Number of recommendations</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>8</b>

<p><b>Finding 1 – Design of Covid-19 overtime claim form (Control design)</b></p>	<p><b>Risk</b></p>
<p>Staff complete a Covid-19 overtime claim form which consists of several parts, including a guidance section, a 'shift log' (to record the employees shift pattern and additional hours worked), and a 'pay return monthly summary' (to record the total additional or unsocial hours worked across the month). Our review of the form identified the following:</p> <ul style="list-style-type: none"> <li>• The detailed information input to the shift log section does not feed through to the pay return monthly summary section, so both parts must be completed manually by the employee.</li> <li>• The claim form does not capture information that could be used by the Trust to identify duplicate claims. For example, the shift log does not require staff to enter the day of the week of the overtime, their core working hours, or their normal shift pattern.</li> <li>• While staff record the start and finish time of additional hours worked, there is no section within the form to allow for breaks: the guidance within the form is silent on this matter.</li> </ul> <p>While undertaking our sample testing of 30 shifts we identified that some staff members were adjusting their claimed hours for breaks, but most were not. Of the 24 shifts in our sample where staff had worked long enough to require a break, 13 (54%) had made no adjustment for a break within their shift log. We also note one instance where the start and end time of the shift did not agree to the total number of hours recorded as worked on the shift log. Actual</p>	<p>Inappropriate payments made if timesheets are not properly completed, authorised and checked.</p>

<p>hours worked was 7.5 whilst the total number of hours shown on the shift log was 11.</p> <p>Without clear instruction in the guidelines, or a section within the shift log to identify breaks it is unclear if omissions were deliberate, due to a lack of understanding by the claimants that unpaid breaks need to be deducted, or perhaps breaks had not been taken.</p>	
<p><b>Recommendation</b></p>	<p><b>Priority level</b></p>
<p>Management should review the claim form to ensure that:</p> <ul style="list-style-type: none"> <li>• The guidelines are updated to include the requirement to deduct unpaid breaks.</li> <li>• Key information should be included on the shift log such as days of the week, core working hours and shift pattern plus when breaks have been taken.</li> <li>• The shift log and pay return monthly summary should be automated to assist in reducing the number of errors occurring.</li> </ul>	<p style="text-align: center;"><b>High</b></p>
<p><b>Management Response</b></p>	<p><b>Responsible Officer/ Deadline</b></p>
<p>A task and finish group has been established, comprising People &amp; OD and Finance colleagues. The remit is to implement agreed actions that have arisen as a result of this audit. The task and finish group will:</p>	<p>Neil Lewis 31/8/21</p>

<ul style="list-style-type: none"><li>• Develop a new and improved (partly-automated) Overtime Claim Form where staff will be directed to enter days of the week, core working hours, shift pattern worked, breaks taken and any other essential information to allow the total hours and correct rates of pay to be auto-populated in the claim form.</li><li>• Develop a standing operating procedure for the processing of staff overtime claims.</li><li>• Issue updated guidelines for staff in completing overtime claims, including the requirement to deduct unpaid breaks.</li></ul>	
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<p><b>Finding 2 - Approval process (Operating effectiveness)</b></p>	<p><b>Risk</b></p>
<p>The current guidelines require completed claim forms to be emailed to the line manager and Executive Director for approval, and then to the Trust’s ‘additional hours’ mailbox to be actioned. The shift log on the claim form requires the line manager to approve each individual claim line within the form but our testing identified that this was rarely done.</p> <p>We understand that the unanticipated growth of additional hours claims as a result of pressure on staff time due to the pandemic meant that the need for Executive Director approval for each claim quickly became impractical, and as such, was not enforced.</p> <p>Before January 2021 claim forms were processed by workforce if the line manager had been copied into the claimants’ email, regardless of whether the claim lines had been approved. As such, while there was an opportunity for the line manager to scrutinise claims it is unclear if this would have been completed with rigour prior to processing.</p> <p>After January line manager approval was required before claims were processed. Our testing of claims identified that 4/10 post January claims did not have clear line manager approval attached, but had been passed for payment. In addition, we note that of the six that had line manager approval, four claims had been submitted as part of a multiple staff claim.</p>	<p>Inappropriate payments made if timesheets are not properly completed, authorised and checked.</p>

Recommendation	Priority level
<p>Management must determine the correct approval process to be followed, and instructions for this should be included in the updated guidelines. This review should include a consideration of the need for line managers to approve each line, and the need for Executive Director approval.</p>	<p><b>High</b></p>
Management Response	Responsible Officer/ Deadline
<p>A task and finish group has been established, comprising P&amp;OD and Finance colleagues. Their remit is to implement agreed actions that have arisen as a result of this audit. The task and finish group will:</p> <ul style="list-style-type: none"> <li>• Ensure that the approval process - that line managers must sign/initial to indicate they have approved each line - is clearly set out in the standard operating procedure and staff guidelines.</li> <li>• Ensure that claims are not processed without such approval.</li> </ul> <p>In the interim, measures have been put in place (pending the above) to ensure that those staff responsible for processing claims do not process any claim unless there is clear evidence of line manager approval.</p>	<p>Neil Lewis</p> <p>31/8/21</p>

Finding 3 - HR master spreadsheet (Control design)	Risk
<p>Overtime claim forms are sent from the employees to HR where the information is checked and transferred to a master spreadsheet, which is a key data source for monitoring additional hours. Information on the master spreadsheet is sent to payroll, to process payments, and copied to finance to inform WTR monitoring reports. We understand that finance plan to use the information in the spreadsheet to inform the overtime accrual calculation. While the HR team have 3-5 days during the month to process claims, we understand that processing is often delayed during this time due to:</p> <ul style="list-style-type: none"> <li>• Inconsistencies and inaccuracies in the figures that have been entered onto the shift log and the pay return monthly summary tab of the claim form by the employee. Delays in employee responses can result in the claim not being processed in the month. Late claims are paid via the supplementary pay run.</li> <li>• The HR team require core working hours or shift pattern information to ensure that the correct hours have been claimed. For example, such as unsocial, or overtime.</li> </ul> <p>At the time of our fieldwork, the HR spreadsheet was not updated to include supplementary pay data, so late claims would not be used to inform WTR monitoring reports.</p>	<p>Inappropriate payments are made if timesheets are not properly completed, authorised and checked</p> <p>Staff well being affected due to unclear picture of additional hours worked</p>



<p>The HR master spreadsheet holds a large amount of information. It appears that some of the information may not be relevant for a particular month as it includes claims from previous periods.</p> <p>We understand that where data had not 'copied' across from the claim form to the spreadsheet, following a checking process, the HR team manually re-input the information from the claim form onto the master spreadsheet.</p>	
<p><b>Recommendation</b></p>	<p><b>Priority level</b></p>
<p>A review of the HR master spreadsheet needs to be undertaken to ensure that the manual transfer of data is minimised, and consideration must be given to the information that needs to be included each month. For example, should the spreadsheet include names of employees who are not making a claim that month. This will reduce the number of errors and enable the spreadsheet to be more efficient and manageable to use.</p> <p>Management should request that Payroll share the final supplementary pay return with the HR team and Finance. This will reduce the number of queries for the HR Team and prevent potential duplicate payments. For Finance this will ensure that the data used to produce reports, such as the WTR report is accurate and up to date.</p>	<p><b>High</b></p>
<p><b>Management Response</b></p>	<p><b>Responsible Officer/ Deadline</b></p>
<p>The spreadsheet used is one supplied to Public Health Wales by NWSSP Payroll colleagues.</p>	<p>Neil Lewis 31/8/21</p>

The task and finish group will explore the potential for developing an alternative mechanism that will reduce the need for manual transfer of data and assist in the reduction of errors e.g. creation of a workflow in Alteryx to auto-populate the master spreadsheet.

Payroll will share the completed monthly pay return **and** supplementary pay return with the People & OD/ Finance team so that we have a record of what has been paid.

<p><b>Finding 4 – Monitoring and scrutiny of additional hours (Operating effectiveness)</b></p>	<p><b>Risk</b></p>
<p>Between June to September 2020 within the workforce reporting, a high-level overview of the overtime hours worked due to the pandemic reports was presented to the Board.</p> <p>In July 2020 Business Executive Team (BET) received a paper describing the Trust’s response to the Covid-19 outbreak and the substantial impact it had on employees’ working patterns. The report raised concerns around the financial and staff wellbeing implications, and whether there were effective controls in place on the staff claim process.</p> <p>We note the number of hours employees are working to ensure they are in line with Working Time Regulations (WTR) is monitored and staff who consistently work above average hours per week are discussed at the monthly Finance and HR Business Partner meeting. This information is shared with the Head of departments.</p> <p>However, since the workforce stream for Covid-19 stood down in September 2020 we have seen no evidence of additional hours information being monitored or scrutinised by the Board, its committees, or groups within the Trust.</p>	<p>Staff working unsafe and unsustainable hours impacting on their wellbeing and performance of the organisation</p>
<p><b>Recommendation</b></p>	<p><b>Priority level</b></p>
<p>Management should ensure that appropriate, accurate and timely reports on additional hours and overtime are produced and distributed to appropriate staff</p>	<p><b>High</b></p>

<p>and groups / committees within the Trust, and that the reports are subject to effective scrutiny with actions taken as required.</p>	
<p><b>Management Response</b></p>	<p><b>Responsible Officer/ Deadline</b></p>
<p>Overtime information, such as hours and cost, is now being reported on a bi-monthly basis to the Business Executive Team. Development work is underway for these data to be included within the Performance and Assurance Dashboard.</p> <p>In the meantime the COVID-19 Overtime Oversight/ Scrutiny group will continue to monitor individual levels of overtime. This group reports through the Director of People &amp; OD to the Business Executive Team.</p>	<p>Neil Lewis 31/8/21</p>

<p><b>Finding 5 – Reconciliation of claiming documentation (Operating effectiveness)</b></p>	<p><b>Risk</b></p>
<p>We looked to confirm that the information on the HR master spreadsheet and the information within the shift log and pay return sections of the claim form relating to hours paid and hours worked agreed. We identified the following:</p> <ul style="list-style-type: none"> <li>Information for 9/20 shifts detailed on the HR master spreadsheet did not reconcile to the shift logs or pay return monthly summary provided. Although we note that this may be because the claim was queried and subsequently updated on the spreadsheet, without updating the original claim.</li> <li>We identified a duplicate claim from November 2020 as a result of a change in name. We understand that no duplicate payment was made as the error was identified by payroll. However, a claims reconciliation within the Trust may have identified the duplicate.</li> </ul>	<p>Inappropriate payments made if timesheets are not properly completed, authorised and checked</p>
<p><b>Recommendation</b></p>	<p><b>Priority level</b></p>
<p>Management should ensure that the hours recorded on the HR master spreadsheet and shift log and pay return monthly summary agree to the hours that have been processed for payment.</p>	<p><b>Medium</b></p>
<p><b>Management Response</b></p>	<p><b>Responsible Officer/ Deadline</b></p>

As detailed above, improvements are underway to automate the claim form where possible and for the creation of a workflow to populate the master spreadsheet. This will reduce risks arising from the manual reconciliation of claims and transfer of information from individual claim forms into a master pay return spreadsheet.

Neil Lewis  
31/8/21

<p><b>Finding 6 - Paid at correct enhancement rate (Operating effectiveness)</b></p>	<p><b>Risk</b></p>
<p>We selected a sample of 10 employees to ensure that they had been paid at the correct enhancement rate. However, we were unable to reconcile the information between the HR spreadsheet and the claim forms for five of the staff (reported as part of reconciliation testing in finding 5), and we did not receive the claim documentation for one employee.</p> <p>As such, of the four claims we were able to test to confirm that the correct enhancements were paid, based on the shift logs provided, we identified:</p> <ul style="list-style-type: none"> <li>• Inconsistent treatment for one individual who worked a number of shifts on a Sunday. Some shifts were paid at the Sunday enhancement rate, whereas others were paid as overtime.</li> <li>• One individual was paid enhancements at the 'unsocial hours' rate when they should have received overtime rates.</li> </ul>	<p>Inappropriate payments made if timesheets are not properly completed, authorised and checked</p>
<p><b>Recommendation</b></p>	<p><b>Priority level</b></p>
<p>The guidelines will be updated with clearer instructions on how to allocate the enhancements. Any changes to the guidelines and processes will be communicated to all staff and line managers.</p>	<p><b>Medium</b></p>
<p><b>Management Response</b></p>	<p><b>Responsible Officer/ Deadline</b></p>

<p>Guidance has been amended and improved on an ongoing basis, but there are still some pockets of staff who require further support. The measures detailed above; new part-automated form with clear rules/formulae to determine what hours are claimed as unsocial hours enhancements versus overtime, improved guidelines and communication of will assist with making improvements. People and OD colleagues will provide advice to 'hot-spot' areas to ensure ongoing improvements.</p> <p>As detailed above, a review and updating of guidelines will be undertaken as part of the work of the task and finish group. The guidelines will then be communicated to staff via the regular staff updates and to line managers via the weekly line manager channel.</p>	<p>Neil Lewis 31/8/21</p>
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<b>Finding 7 - Opting out of Working Time Regulations (WTR) (Operating effectiveness)</b>	<b>Risk</b>
<p>Under the Working Time Regulations Act 1998, employees should not work more than an average of 48 hours per week over a 17-week period, unless they agree to do so in writing. Failure to comply so could result in a costly employment tribunal for the Trust.</p> <p>We understand that in February 2020 employees were asked to confirm if they wanted to opt out of WTR, but there is no central record of these responses as copies of the forms were kept on the employee's file and retained by the employee. As such, there is not clear monitoring of the number of opt out WTR forms received.</p> <p>However, as reported in finding 4 above, we understand that WTR is monitored and discussed at the monthly Finance and HR Business Partner meeting.</p>	<p>Staff are working unsafe and unsustainable hours which could affect their wellbeing</p> <p>Trust breaches legal requirements on staff working time</p>
<b>Recommendation</b>	<b>Priority level</b>
<p>Management must ensure that staff who continue to work over and above the recommended hours in line with WTR have formally opted out and a central record of this information should be maintained.</p>	<p><b>Medium</b></p>
<b>Management Response</b>	<b>Responsible Officer/ Deadline</b>
<p>As part of the work of the task and finish group, we will implement the following:</p>	<p>Neil Lewis 31/8/21</p>


<ul style="list-style-type: none"> <li>• A system will be introduced to ensure that all staff who claim overtime will be required to complete a WTR Questionnaire, and then, if appropriate, complete a WTR Opt-out Form and return to People &amp; OD.</li> <li>• This information will be centrally stored on electronic personal files and updated in ESR.</li> </ul>	
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<b>Finding 8 - Additional hours and overtime requests (Control design)</b>	<b>Risk</b>
<p>At the beginning of the pandemic workloads increased dramatically, with staff working weekends and evenings across a range of locations performing a range of tasks. From our discussions with management, due to these challenging circumstances, justifying additional hours and overtime in advance was not always pragmatic. We understand that generally managers confirmed the additional hours and overtime needed prior to working, but this was not necessarily documented.</p> <p>Without a process requiring staff to record the justification for a shift in advance, we were unable to test the rationale.</p>	<p>Inappropriate payments made if timesheets are not properly completed, authorised and checked</p>
<b>Recommendation</b>	<b>Priority level</b>
<p>The guidance should be updated to confirm that reasons for working additional hours should be included on the claim form documentation.</p> <p>Consideration should be given to record the justification for required additional hours to the shift log or claim form. This may enable the Trust to understand</p>	<p><b>Low</b></p>


<p>where the current pressures are and the reasoning behind them, particularly as there should be a reduction in the demand on the services over the coming months.</p>	
<p><b>Management Response</b></p>	<p><b>Responsible Officer/ Deadline</b></p>
<p>The task and finish group will look to incorporate a mechanism for recording the reasons for overtime via the introduction of a drop-down list in the claim form. This will provide the organisation with greater detail on the requirement for working additional hours that can in turn be reported to the Business Executive Team. This will enable improved reporting on the requirement for overtime working.</p>	<p>Neil Lewis 31/8/21</p>


## Appendix B - Assurance opinion and action plan risk rating

### Audit Assurance Ratings

 **Substantial assurance** - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.

 **Reasonable assurance** - The Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to **moderate impact on residual risk** exposure until resolved.

 **Limited assurance** - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.

 **No assurance** - The Board can take **no assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **high impact on residual risk** exposure until resolved.

### Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows.

Priority Level	Explanation	Management action
<b>High</b>	Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
<b>Medium</b>	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
<b>Low</b>	Potential to enhance system design to improve efficiency or effectiveness of controls. These are generally issues of good practice for management consideration.	Within Three Months*

\* Unless a more appropriate timescale is identified/agreed at the assignment.