



SALARY OVERPAYMENTS POLICY

MARCH 2024

Authorship:	Assistant Director of Finance, HNY ICB
Committee Approved:	ICB Executive Directors
Approved date:	March 2024
Equality Impact Assessment:	March 2024
Target Audience:	ICB and its Committees and Sub-Committees, ICB Staff, agency and temporary staff & third parties under contract
Policy Number:	ICB61
Version Number:	0.1

The on-line version is the only version that is maintained. Any printed copies should, therefore, be viewed as 'uncontrolled' and as such may not necessarily contain the latest updates and amendments.

AMENDMENTS

Amendments to the policy may be issued from time to time. A new amendment history will be issued with each change.

New Version Number	Issued by	Nature of Amendment	Approving body	Approval date	Date published on website
0.1	Finance and Investment	New policy	ICB Executive Directors	12/03/24	April 2024

Contents

1	Introduction.....	4
2	Purpose.....	4
3	Scope of the Policy.....	4
4	Duties/ Accountabilities and Responsibilities	4
4.1	Duties within the organisation.....	4
4.2	Executive Director of Finance and Investment.....	4
4.3	Line Managers.....	4
4.4	Payroll.....	4
4.5	Financial Services Team.....	5
4.6	Employees.....	5
4.7	Responsibilities for approval.....	5
5	Recovery Of Overpayments	5
5.1	Criteria.....	5
5.2	Disputed Overpayments	6
6	Consultation	6
7	Training	6
8	Monitoring Compliance.....	6
9	Arrangements for Review.....	6
10	Dissemination.....	7
11	Associated Documentation and References.....	7
12	Appendices.....	7
13	Impact Assessments	7
13.1	Equality.....	7
13.2	Sustainability.....	7
13.3	Bribery Act 2010	7
13.4	General Data Protection Regulations (GDPR).....	7

1 Introduction

This policy outlines the principles of how NHS Humber & North Yorkshire ICB will recover overpayments made to its staff.

2 Purpose

The purpose of this policy is to provide:

- a practical guidance to staff and managers on process and procedure.
- outline the criteria for recovering salary overpayments.

3 Scope of the Policy

The policy applies to all current employees and past employees covering their period of employment whilst at the ICB and the legacy CCGs.

4 Duties/ Accountabilities and Responsibilities

4.1 Duties within the organisation

This policy is the responsibility of the Finance Directorate.

4.2 Executive Director of Finance and Investment

The Director is responsible for:

- ensuring the policy is fair and equitable.
- ensuring that the ICB has procedures and capacity to enact this policy.
- ensuring that the ICB monitors compliance to this policy.
- ensuring that the ICB can provide advice and guidance in relation to the application of this policy.

The Executive Director of Finance and Investment will be supported by the Assistant Director of Finance and the Head of Financial Services in monitoring and reviewing this policy.

4.3 Line Managers

Line Managers are responsible for:

- ensuring that HR processes are followed, and appropriate forms completed, on a timely basis when staff leave, vary their contracts or change roles.
- applying this policy in a fair and equitable manner.
- ensuring that new employees are made aware of this policy.
- seeking advice on the application of this policy, if and when required, from the ICB's financial services team - hnyicb-ny.staffexpenses@nhs.net

4.4 Payroll

The payroll department are responsible for:

- ensuring that HR forms are processed in a timely manner
- recalculating employees pay to correct overpayments.

- writing to staff explaining the overpayment and the repayment value (net of relevant deductions such as tax, national insurance and pension) for ex-employees.

4.5 Financial Services Team

The financial services team are responsible for:

- Recovery of overpayments for ex-employees.

4.6 Employees

Employees are responsible for:

- checking that their monthly payroll payment is correct.
- raising incorrect payments with their line manager and HR immediately.
- making any overpayment repayments in line with this policy.

4.7 Responsibilities for approval

The ICB Remuneration Committee is responsible for approving this policy.

5 Recovery Of Overpayments

5.1 Criteria

An overpayment of salary to an employee normally arises as the result of either an error or as a result of incorrect, insufficient or late notification of a change to the individual's circumstances or contract of employment. The likely causes of an overpayment include but are not restricted to; a termination notification not being completed, received or actioned on time; late or lack of notification of sickness absence; staff not returning from maternity leave; an error being made; a late change notification; and incorrect salary banding.

If a current employee has been overpaid in their most recent salary payment, then the error will be corrected by the payroll department against their next salary payment. The employee can, if they so wish, make a payment back to the ICB for an estimation of the overpayment. This payment will be taken into account when the payroll department make the correction and adjusted accordingly.

If an overpayment has been ongoing for a period of time, it is expected that the number of periods over which the employee has been overpaid, will be the number of pay periods over which the overpayment will be recovered.

For employees who have left the ICB, the payroll department will write to explain the make-up of the overpayment and the amount due back, adjusting for deductions such as tax, national insurance and pension. This letter will include the bank account details of the ICB so ex-employees can make the necessary transfer. The repayment is due immediately. In exceptional circumstances a repayment plan over a longer period of time can be agreed with the Financial Services Team.

The vast majority of overpayments for employees who have left the ICB arise through the late submission of leave dates to HR. However, where historical overpayments come to light that were over a period of time whilst they were in employment, recovery will also occur. The repayment period should be discussed and agreed with the individual but should be no longer than the length of time the overpayments occurred.

In some situations, an employee/ex-employee might be worried about the impact to their personal finances on paying back money, particularly if they work part-time. It is important that the ICB considers the wellbeing and mental health of its employees. In such scenarios the employee/ex-employee should contact either the Assistant Director of Finance or the Head of Financial Services as soon as possible to discuss a longer period of repayment. Specialist help is also available, for example through the employee assistance programme (EAP).

5.2 Disputed Overpayments

All overpayments disputed by the employee/ex-employee will be referred immediately to the Payroll Manager and HR.

The Payroll Manager (or delegated officer) will note details of dispute and investigate accordingly. This process should be completed within 5 working days.

Once dispute investigation has been completed the Payroll Manager (or delegated officer) will confirm and amend the overpayment status if required.

If an employee/ex-employee still refuses to pay, then the ICB will pursue recovery through the small claims court.

6 Consultation

This policy has been developed in consultation with the People's Directorate, Trade Unions, and the Staff Engagement Group.

7 Training

All new employees will be made aware of this policy on joining the organisation and will be strongly encouraged to read and understand it.

All existing staff will be made aware of the policy by their line managers, as and when it's use becomes relevant.

All existing staff will be made aware of any amendments and updates to this policy through internal communication & engagement sessions and e-mails.

8 Monitoring Compliance

Compliance to this policy will be undertaken by the following teams, as and when required:

- ICB Financial Services team
- Payroll
- Internal Auditors
- External Auditors

The appropriateness of this policy will be reviewed in light of national events or changes to the Agenda for Change NHS terms & conditions of service by the ICB Head of the Finance Services team. If deemed necessary, the policy will be updated ahead of its mandated review date outlined below.

9 Arrangements for Review

This policy will be reviewed every 5 years by the Assistant Director of Finance, in conjunction with the Executive Director for Finance & Investment, seeking wider specialists as and when required.

The appropriateness of this policy will be reviewed earlier considering national events, changes to guidance by NHS England/Department of Health, or changes to the Agenda for Change NHS terms & conditions, as and when necessary.

10 Dissemination

This policy will be available, alongside all other ICB policies, on the ICB's website.

This policy will be referred to within the staff induction documentation.

11 Associated Documentation and References

- Employment Rights Act 1996.
- Local Counter Fraud Policy
- Disciplinary Policy

12 Appendices

- Appendix 1 - Anti-Fraud, Bribery and Corruption.

13 Impact Assessments

13.1 Equality

NHS Humber and North Yorkshire ICB is committed to creating an environment where everyone is treated equitably and the potential for discrimination is identified and mitigated. It aims to design and implement services, policies and measures that meet the diverse needs of our service, population and workforce, ensuring that none are placed at a disadvantage over others.

This policy takes into account the potential adverse impact on any protected group. For example, it recognises and makes provision for employees who work part-time or who may be financially constrained which will be monitored as part of the routine work to monitor compliance with the policy.

13.2 Sustainability

There will no impact from this policy.

13.3 Bribery Act 2010

Due consideration has been given to the Bribery Act 2010 in the development (or review, as appropriate) of this policy document, further details can be found in appendix 1.

13.4 General Data Protection Regulations (GDPR)

The ICB is committed to ensuring that all personal information is managed in accordance with current data protection legislation, professional codes of practice and records

management and confidentiality guidance. More detailed information can be found in the Data Protection & Confidentiality Policy and related policies and procedures.

Appendix 1 - Anti-Fraud, Bribery and Corruption

The ICB has a responsibility to ensure that all staff are made aware of their duties and responsibilities arising from the Bribery Act 2010. Under the Bribery Act 2010 there are four criminal offences:

- Bribing or offering to bribe another person (Section 1)
- Requesting, agreeing to receive or accepting a bribe (Section 2);
- Bribing, or offering to bribe, a foreign public official (Section 6);
- Failing to prevent bribery (Section 7).

These offences can be committed directly or by and through a third person and, in many cases, it does not matter whether the person knows or believes that the performance of the function or activity is improper.

It should be noted that there need not be any actual giving and receiving for financial or other advantage to be gained, to commit an offence.

All individuals should be aware that in committing an act of bribery they may be subject to a penalty of up to 10 years imprisonment, an unlimited fine, or both. They may also expose the organisation to a conviction punishable with an unlimited fine because the organisation may be liable where a person associated with it commits an act of bribery.

Individuals should also be aware that a breach of this Act renders them liable to disciplinary action by the ICB, whether or not the breach leads to prosecution. Where a material breach is found to have occurred, the likely sanction will be loss of employment and pension rights.

To raise any suspicions of bribery and/or corruption please contact the Executive Director of Finance and Investment. Staff may also contact the Local Counter Fraud Specialist (LCFS) at – Audit Yorkshire, email: nikki.cooper1@nhs.net or mobile 07872 988939.

The LCFS or Executive Director of Finance and Investment should be the contact for any suspicions of fraud. The LCFS will inform the Executive Director of Finance and Investment if the suspicion seems well founded and will conduct a thorough investigation. Concerns may also be discussed with the Executive Director of Finance and Investment or the Audit Committee Chair.

If staff prefer, they may call the NHS Counter Fraud reporting line on 0800 028 40 60 or report online at www.reportnhsfraud.nhs.uk (both available 24/7). This would be the suggested contact if there is a concern that the LCFS or the Executive Director of Finance and Investment themselves may be implicated in suspected fraud, bribery or corruption.