

Therapies and Health Sciences – Agency, Additional Hours and Overtime Final Internal Audit Report 2024/25

Cardiff & Vale University Health Board



Reasonable Assurance

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Review Reference

Fieldwork
Executive Sign Off
Audit Committee
Executive Lead

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Executive Summary

Purpose

The review of Therapies and Health Sciences agency, additional hours and overtime was completed in line with the 2024/25 Internal Audit Plan for the Cardiff and Vale University Health Board (the 'Health Board').

Overview

All NHS organisations rely on a level of agency, additional hours and overtime in order to maintain service continuity. The inherent nature of providing health services, with the variations in demand, capacity and workforce availability dictate that such expenditure is unavoidable. Claims for additional and overtime hours are processed automatically, via the rostering system, for those departments using Health Roster. In all other cases paper overtime claims are used.

There is a risk on the Board Assurance Framework (BAF) relating to People. One of the causes is "Attract Recruit Retain" and it highlights that there are "national shortages in some professions which have made it difficult to attract people with the right skills/ experience and in the numbers required."¹ Subsequently, there has been a need to use Agency staff within Therapies and Health Sciences.

We undertook our testing on Health Science staff in Audiology, Cardiac Physiology, Genomics, Phlebotomy, and Respiratory Physiology.

We have concluded **reasonable** assurance on this area. The key matters requiring management attention include:

- There were discrepancies between the WTE on the budget report and the Staff in post list.
- Tracking vacant posts back to the TRAC system and reconciling them with the additional hours worked was difficult.
- There were instances of incomplete Agency Request forms, including the absence of the associated TRAC vacancy numbers recorded on the forms.
- There was insufficient documented evidence to support approval prior to the shift being worked.
- There were instances whereby agency shifts paid were above the approved rate card.
- There was insufficient documented evidence to confirm verification of hours worked prior to shifts being paid.

Full details of matters arising are detailed within the Findings & Agreed Action Plan. The following opportunity for enhancement has been identified that does not impact the overall opinion and is highlighted for management information:

- No local SOPs or process documents exist for requesting, approving and authorising of overtime or additional hours, except for Genomics.

¹ cavuhb.nhs.wales/files/board-and-committees/board-2024-25/2024-09-26-board-papers-bundled-pdf/pg 57-59

Scope & Assurance Summary

Objectives The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.

Related Findings

Assurance

Objectives	Related Findings	Assurance
1 All requests for agency, additional hours and overtime are supported by appropriate documented justification and authorisation prior to being worked;	1,2,3,4	Limited
2 Rates paid to individuals will be in accordance with the current rates;	5	Reasonable
3 All completed agency, additional hours and overtime shifts are verified and authorised prior to payment;	6	Reasonable
4 Appropriate and timely reports on agency, additional hours and overtime costs are produced and distributed to appropriate staff and groups within Therapies and Health Sciences.		Substantial

Management Actions

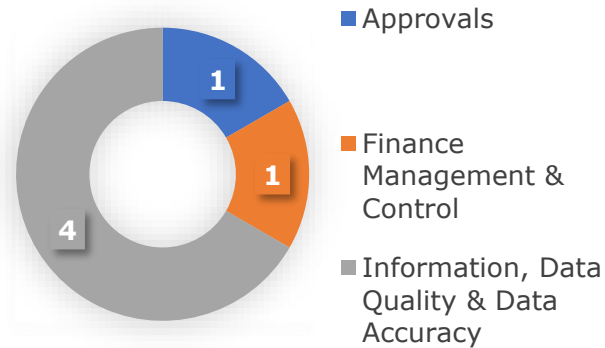


High Priority



Medium Priority

Themes



Risk Types

Financial Loss
Legal & Regulatory Non-Compliance

Findings & Agreed Action Plan

Objective 1: All requests for agency, additional hours and overtime are supported by appropriate documented justification and authorisation prior to being worked.

Limited

Overview

All departments face challenges in recruiting and retaining staff and so efforts have been made to assist with this, including producing new training programs, streamlining the recruitment process, and by utilising temporary staffing. Each department reviewed had issues such as high turnover rates, recruitment difficulties, and a lack of qualified candidates, with specific reference made to the need for teachers for the deaf, clinical scientists, and genetic counsellors. Despite efforts to streamline recruitment and fill vacancies, significant staffing gaps remain in these crucial areas.

Departments are actively managing their vacancies and making plans to fill them. The Respiratory Physiology department has plans in place to fill vacancies by September, and the Phlebotomy department offers any vacant hours to existing part time staff before going out to advert.

All departments use a combination of manual and automated systems for staff allocation and scheduling rotas. Respiratory Physiology, Audiology, and Cardiac Physiology use agency staff, and this is managed through Envoy (Medacs Healthcare’s Managed Services System) by submitting approval forms requesting agency staff. Bank staffing is processed through the Health Roster system and was utilised by four of the five areas. Different departments have varied methods for documenting the usage of additional hours and overtime, such as using Health Roster, emailing the Administration Manager, or using manual rotas.

There is a standardised procedure for requesting agency staff through Envoy, and there is a uniform approach for requesting bank shifts via Health Roster. However, for overtime and additional payments made via the Pay Return each department has their own internal systems to manage this such as reconciling rotas against the pay returns. No local SOPs exist for requesting overtime or additional hours, except for the Genomics department who have produced their own. The approval of shifts varies across the five areas, with some departments having effective controls such as Phlebotomy using Healthroster, timesheets and producing rotas in advance and others identifying overtime and additional hours where gaps in the rota are found.

We evidenced for all areas reviewed that a clear rationale was provided for the need for additional resources, which in most cases related to workforce issues such as vacancies, increased capacity for weekends, and support for backlogs in Genomics. Based on the evidence provided, and for the shifts recorded through Health Roster and Envoy, it has been confirmed that none were processed retrospectively.

Key Findings	Risk & Impact	Agreed Management Action
<p>1 Staffing Establishments</p> <p>There are discrepancies between the WTE on the budget report and the Staff in post list across three out of the five departments reviewed, for instance:</p> <ul style="list-style-type: none"> • Audiology department showed an over-establishment of 3.81 WTE, which is due to Trainee positions. These are being offset against other vacancies in the department. • Cardiac Physiology department had 6.59 WTE Band 6 vacancies which are offset against three Band 7 posts, which are a current cost pressure. • Respiratory Physiology department WTE was incorrect and had an overspend of £6k in month due to unprocessed cross 	<p>Discrepancies between the budgeted WTE and the actual WTE in post can lead to several issues, including financial overspend, inefficient workforce management, and potential disruptions in service delivery.</p>	<p>Agreed Action:</p> <p>Audiology, Cardiac Physiology and Respiratory Physiology departments will organise regular Finance Business Partner meetings to discuss budget allocation and WTE. Departments to run through vacancy tracker and actions. Finance Business Partners will communicate specific budget summaries showing current allocation. Professional and Operational leads will track decisions using decision and risk log to understand agreed WTE and budget allocations on standardised spreadsheet across departments.</p> <p>Audiology, Cardiac Physiology and Respiratory Physiology departments will undertake regular monthly monitoring of WTE figures to compare budgeted and actual WTE figures. Action</p>

<p>charges of a 0.26 WTE Band 8a by Finance to other organisations.</p>		<p>logs updated where identified discrepancies have been identified, and steps undertaken to resolve WTE with timeline and responsible partner. Services to utilise People and Culture and finance dashboards to track WTE position with automated flags on discrepancies identified. All notes to be recorded on action log and discrepancies to be actioned appropriately.</p> <p>Expected Evidence of Implementation:</p> <p>Meeting notes between Audiology, Cardiac Physiology and Respiratory Physiology and Finance Business Partner.</p> <p>Vacancy tracker.</p> <p>Decision and risk logs to understand agreed WTE and budget allocations.</p> <p>Action logs where identified discrepancies have been identified.</p> <p>People and Culture and finance dashboards to track WTE position.</p>
	<p>Medium Priority</p>	<p>Officer: Emma Cooke, Paul Bostock</p> <p>Target Implementation Date: 01/07/2025</p>
<p>Theme: Finance Management & Control</p> <p>2 Status of Vacant posts</p> <p>All departments reviewed are operating with vacant posts and are therefore requesting agency, bank, additional hours, and overtime to cover these posts. However, tracking these vacancies back to the TRAC system and reconciling them with the additional hours worked has proved challenging. For instance, there was a Band 6 vacant post in Cardiac Physiology, but the last job advert was advertised in April 2024, and we were further informed that Band 5 job adverts go out annually but there was no evidence to support this.</p> <p>Genomics is working to determine their true vacancy factor due to the complexity and growing volume of genomic testing but have yet to ascertain the exact vacancy figure. At the time of the audit, there were no vacancies on TRAC for Genomics. However, the department was able to share their 'Submitting Vacancy for Approval to TRAC' SOP, which no other department has in place.</p>	<p>Control Operation</p> <p>Prolonged vacancies can effective the operational efficiency and wellbeing of staff in departments.</p>	<p>Agreed Action:</p> <p>Audiology, Cardiac Physiology, Genomics, Phlebotomy and Respiratory Physiology departments will track all vacancies using a vacancy tracker with current vacancies, status updates, timelines, difficulty to fill, and reasons for delayed recruitment process. Posts that are difficult to fill will need recruitment strategies/plans and liaise with the relevant People and Culture support.</p> <p>Update SOP and internal guidelines on timeframes for updating TRAC system. Regular monthly monitoring of date and time of vacancy posting and any delays between approval and posting arrangements. Exception reports to be directed to team and recorded where breaches are apparent and corrective action taken in line with recommendation.</p>

<p>Areas that provided evidence of jobs on TRAC faced delays in authorisation. For example, Audiology's jobs were approved at the Executive level in January 2025 but were still pending authorisation by the Executive Overview Group in March despite recurrent funding being approved. Similarly, Phlebotomy's jobs created in January were awaiting authorisation.</p>		<p>Expected Evidence of Implementation:</p> <p>Vacancy tracker showing current vacancies, status updates, timelines, difficulty to fill, and reasons for delayed recruitment process.</p> <p>Recruitment strategies/ plans for difficult to fill posts.</p> <p>SOP and internal guidelines on timeframes for updating TRAC system.</p> <p>Exception reports where breaches are apparent and corrective action taken.</p>
<p>Theme: Information, Data Quality & Data Accuracy</p>	<p style="background-color: yellow;">Medium Priority</p> <p>Control Operation</p>	<p>Officer: Emma Cooke, Paul Bostock</p> <p>Target Implementation Date: 01/08/2025</p>
<p>3 Incomplete Agency Request Forms</p> <p>We reviewed the Agency Request forms and found that all seven forms for Cardiac Physiology did not record the TRAC number associated with the vacancy on the form. Instead, 'Several' was stated in this section of the form.</p> <p>Additionally, there was an error in the TRAC reference on the Agency Request form for Respiratory Physiology. When the correct TRAC number was provided, it was discovered that the period covered by the TRAC number extended beyond the appointment date of the position, indicating that the post had been filled, and the TRAC number was no longer valid.</p>	<p>Financial loss due to unnecessary usage or incorrect payment of additional hours and overtime.</p> <p style="background-color: yellow;">Medium Priority</p>	<p>Agreed Action:</p> <p>Cardiac Physiology to create project plan on the redesign process with roles and responsibilities established, actions, decisions and minutes recorded regarding design and control features. Departments will monitor iterative changes and version history and ensure alignment to medical agency request format using RAID logs. Formal approval from HR, finance and Clinical leads.</p> <p>Cardiac Physiology to include mandatory field for TRAC reference number. Department leads to communicate with staff by email and intranet posts that the TRAC reference number is to update accordingly and attainment to be monitored on monthly basis.</p> <p>Expected Evidence of Implementation:</p> <p>Project plan for Cardiac Physiology on the redesign process.</p> <p>RAID logs.</p> <p>Officer: Emma Cooke, Paul Bostock</p> <p>Target Implementation Date: P1 01/10/2025, P2 01/09/2025</p>
<p>Theme: Information, Data Quality & Data Accuracy</p>	<p>Control Design</p>	

4	<p>Insufficient documented evidence to support approval prior to shift being worked.</p> <p>Issues were identified regarding the approval and documentation of bank and overtime/additional hours prior to being worked. In Cardiac Physiology, obtaining supporting documentation was challenging, particularly when reasons were communicated verbally. Verifying shift dates against approval dates proved difficult due to varied methods across departments, for example Cardiac Physiology and Respiratory Physiology do not show the hours worked on the rota. In addition, we were unable to verify the grade of the post for which the cover is required.</p> <p>Whereas most areas lacked a recorded procedure, Genomics had produced documentation.</p> <p>There were six instances within Cardiac Physiology, whereby actual agency hours worked exceeded approved hours, with insufficient documentation to support this. Furthermore, there were three out of 20 agency shifts worked in October 2024, where names were missing from the rota, raising uncertainty about whether individuals actually worked despite receiving payment.</p>	<p>Poor controls over the accuracy of hours claimed could undermine financial probity/ control.</p>	<p>Agreed Action:</p> <p>Cardiac Physiology and Respiratory Physiology will create an SOP for the process for pre-approval of additional hours, including required documentation and approval hierarchy (e.g. written approval before hours are worked, specific dates and hours worked, justification for the additional hours, required staff grade, TRAC reference number if covering a vacancy). To be disseminated across team through internal communications and team meetings. Departments to record meeting minutes and update logs. Departments to monitor reports showing additional hours worked and action noncompliance.</p> <p>Cardiac Physiology and Respiratory Physiology will assess the current manual rota system including identification of risks, inefficiencies and gaps in recorded hours worked. Department will transition to Health Roster to improve verification of work being performed; ensure the services are on the roll out plan for Health Roster aiming to be onboarded within the next 18 months.</p> <p>Expected Evidence of Implementation:</p> <p>SOP for the process for pre-approval of additional hours. Reports showing additional hours worked. Staff using Health Roster.</p> <p>Officer: Emma Cooke, Paul Bostock Target Implementation Date: 01/09/2025</p>
	<p>Medium Priority</p>		
	<p>Control Design</p>		
	<p>Theme: Information, Data Quality & Data Accuracy</p>		

Overview

Shifts processed through Health Roster or Envoy, have pay rates predefined within the system. In contrast, shifts compensated through the Pay Return are based on the Band assigned to the specific assignment number. For Agency shifts, an approved rate card exists, and the pay amount is determined by the Band associated with the shift, however, we identified shifts which were paid over the rate card following manual adjustments that were requested on the Agency Approval form.

Overtime and additional hours are processed through the Pay Return, and all returns reviewed were submitted in line with the submission date and the hours recorded were within the correct reporting period.

All shifts have been paid based on the substantive post. However, it was unclear whether these shifts filled vacancies or covered extra hours for the waiting list.

Key Findings	Risk & Impact	Agreed Management Action
<p>5 Agency Shifts paid above the rate card.</p> <p>Three of the five areas reviewed used agency locum cover. Two of these three areas paid above the rate card. In October, there were 20 Agency Locum shifts worked in Cardiac Physiology, all of which were at Band 6. The standard capped rate for Band 6 is £32 per hour.</p> <ul style="list-style-type: none"> • 20/20 shifts were paid above the rate card. • 3/20 shifts were worked by the same person who was paid 53% above the rate card. <p>In addition, all 13 Agency Locum shifts worked in Respiratory Physiology in June 2024 were above the approved Band 6 rate card.</p> <p>There was no distinct agreement or challenge regarding the elevated rate, nor was this specified on the Agency approval form.</p> <p>There were three instances (two agency forms related to Cardiac Physiology and one to Respiratory Physiology) whereby the requesting officer and the approving officer on the agency request forms were the same person, resulting in no segregation. The agency approval forms however do not request different officers for these roles.</p>	<p>Financial loss due to unnecessary usage or incorrect payment of additional hours and overtime.</p>	<p>Agreed Action:</p> <p>Cardiac Physiology and Respiratory Physiology will amend the agency approval form with a requesting officer and approving officer roles. Once changed, departments to communicate through internal communications and meetings.</p> <p>Cardiac Physiology and Respiratory Physiology will adopt copies of medical staff agency request form and review impact of new form on reducing overpayments every 3 months.</p> <p>Cardiac Physiology and Respiratory Physiology will ensure all agency requests are authorised by the Executive Director for AHPS and Health Science or a delegated deputy.</p> <p>Expected Evidence of Implementation:</p> <p>Updated Cardiac Physiology and Respiratory Physiology agency approval form.</p>
<p>Theme: Approvals</p>	<p>Medium Priority</p> <p>Control Design</p>	<p>Officer: Emma Cooke, Paul Bostock</p> <p>Target Implementation Date: 01/08/2025</p>

Overview

As highlighted in objective one, the management of agency staffing and bank is facilitated by an automated system. These systems oversee the verification and authorisation of completed shifts before payment processing. The approval of shifts processed via the Pay Return varies across the five departments. Reconciling approved shifts, hours worked, and payments was challenging for the areas that used manual rotas, because of the absence of documented hours on the rotas. Therefore, without accurate and complete records, it is difficult to verify whether the hours worked match the approved hours. This can lead to overpayment for hours that were not actually worked, as seen in the instances where the names were missing from the rota. (Key Finding 4).

For shifts compensated via the Pay Return, we were only able to retrieve the approved date of these shifts from the submission date of the pay return, which invariably occurred after the shift had been completed. All agency shifts were approved for payment after the shifts were worked, as this was generated within the system.

In most instances the roles and responsibilities of staff involved in shift approval, verification, and payment processing were different so there was a segregation of duties. However, as identified under key finding 5, we found instances whereby the Agency Approval Forms had been requested and approved by the same person. In addition, due to the limited number of personnel within Respiratory Physiology, the processes of requesting, approving, and verifying shifts are managed solely by the Head of Respiratory Physiology.

Key Findings	Risk & Impact	Agreed Management Action
<p>6 Verification of hours prior to payment.</p> <p>Testing the process for verifying hours worked before payment, particularly for those that are manually processed and included in the Pay Return, has proven to be challenging due to the insufficient information displayed on the rota. Furthermore, enquiries revealed that in some departments, a reconciliation with the rota to confirm that these hours were indeed worked prior to being entered into the pay return was not consistently applied.</p> <p>For instance, on the Cardiac Physiology rota, only the name of the person working the shift is identified therefore confirming if the 12 hours of overtime were verified as having been worked before being paid was not possible.</p>	<p>Poor controls over the accuracy of hours claimed could undermine financial probity/ control</p>	<p>Agreed Action:</p> <p>Audiology, Cardiac Physiology, Genomics, Phlebotomy and Respiratory Physiology departments will create an SOP outlining the process for requesting and approving additional hours, verification steps to confirm work was performed, requirements for break deductions in line with policy and legislation.</p> <p>Audiology, Cardiac Physiology, Genomics, Phlebotomy and Respiratory Physiology departments to standardise manual timesheet or approval form in the meantime while work towards Health Roster. Department will transition to Health Roster to improve verification of work being performed; ensure the services are on the roll out plan for Health Roster aiming to be onboarded within the next 18 months.</p> <p>Expected Evidence of Implementation:</p> <p>SOP for the process for requesting and approving additional hours.</p> <p>Standardised manual timesheet or approval form.</p> <p>Staff using Health Roster.</p>
<p>Theme: Information, Data Quality & Data Accuracy</p>	<p>Medium Priority</p> <p>Control Design</p>	<p>Officer: Emma Cooke, Paul Bostock</p> <p>Target Implementation Date: 01/09/2025</p>

Objective 4: Appropriate and timely reports on agency, additional hours and overtime costs are produced and distributed to appropriate staff and groups within Therapies and Health Sciences.

Substantial

Overview

The Clinical Boards receive various reports related to spend, including a breakdown of agency, additional hours and overtime, with numerical monthly financial reports being centrally sent out. The data for these reports comes from Oracle and are published on SharePoint, where Staff in Post (SIP) reports can also be found. Finance sends out reports to each Clinical Board in different requested formats. Previously, there was a central document for Executive performance reviews, but it is no longer in use. The plan is to return to a centralised dashboard, considering the different structures and requirements of the Clinical Boards. Additionally, a list of Budget Holders was received, evidencing that all key staff receive the monthly financial reports.

Clinical Boards follow a similar reporting structure to review the adequacy of monitoring and reporting at relevant groups, Committees, or Boards. For example, for Audiology which sits within the Surgical Clinical Board there is a weekly Senior Management Team (SMT) meeting, attended by senior management including the Assistant Director of Finance, Head of Operations, and Clinical Board Director, and they discuss the financial position and key issues affecting finances, such as vacancies.

A monthly Clinical Board summary finance report is prepared and shared with the SMT and Directorates. Clinical Board governance meetings, are held monthly, including finance as a standing agenda item.

At the directorate level, regular weekly meetings with finance as a standing agenda item involve the Accountant, General Manager, Service Manager, Nurse Lead, and Clinical Director. Monthly performance review meetings with the SMT discuss performance, quality and safety, workforce issues, and finance.

This is considered as good practice, and all Clinical Boards follow the same or similar reporting structure to ensure that there is adequate scrutiny and challenge taking place.

Appendix A

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
	Limited	More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
	Unsatisfactory	Action is required to address the whole control framework in this area. High impact on residual risk exposure until resolved.
	Advisory	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)

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Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of the Cardiff and Vale University Health Board. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.

