

# Staff Overpayments

## Final Internal Audit Report

2025/26

Cardiff and Vale University Health Board



Limited Assurance

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Review Reference

CVU-2526-11

Fieldwork

November 2025 – February 2026

Executive Sign Off

March 2026

Audit Committee

May 2026

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



# Executive Summary

## Purpose

Our review of Staff Overpayments was completed in line with the 2025/26 Internal Audit Plan for the Cardiff and Vale University Health Board ('the Health Board').

There is an All Wales 'Procedure for the Recovery of Overpayments' (the 'Procedure') which aims to standardise the recovery of overpayments to ensure consistency across NHS Wales. The Procedure confirms the most common reasons for overpayments which are:

- Late Termination Notification;
- Late and inaccurate update of employee or worker contractual hours;
- Late and inaccurate update of an employee or worker absence (sickness, Maternity, unpaid leave etc);
- Late or inaccurate reporting of enhancements, overtime, on call, start date, salary, banding etc; and
- System errors.

NHS Wales Shared Services Partnership (NWSSP) Payroll have created a 'live' dashboard where Managers can view the overpayments in their area as soon as it's discovered by NWSSP Payroll. Information from the dashboard is reported to the Health Board's Private Audit and Assurance Committee.

A Staff Overpayments Task and Finish Group was established for six months during 2024/25 with the purpose of decreasing/ eradicating the number of overpayments across the Health Board. It was agreed that we would undertake our sample testing within the Medicine, Children & Women and Specialist Services Clinical Boards to understand compliance with processes.

## Overview

The Private Audit and Assurance Committee were provided with a report confirming that the staff overpayments for the period April to December 2025 totalled £899k. We have concluded **Limited assurance** on this area. The significant matters requiring management attention include:

- Limited awareness and inconsistent communication of the All-Wales Recovery of Overpayments Procedure, evidenced by over half of surveyed supervisors being unaware of the policy and some being unsure how to access it, increasing the risk of continued payroll errors.
- Workforce Induction Toolkits for new managers omitted both the All-Wales Procedure for the Recovery of Overpayments and the SMA app. The Leavers Checklist lacks reference to overpayments but does link to the SMA app; however, supervisors showed limited awareness or use of the checklist.
- Users have inconsistent understanding of when to use MSS, SMA, and Health Roster, leading to confusion and risks to staff data accuracy. There are also notable gaps in awareness of key SMA app features, such as editing submissions, tracking issues, and delegating tasks.
- Testing for non-medical staff overpayments highlighted late notifications, unclear roles, poor training, and inconsistent use of Staff in Post (SIP) and related systems.
- Recurring administrative delays and missed notifications continue to cause medical staff overpayments, including late terminations, unrecorded unpaid leave, and missed payroll adjustments.
- Inconsistent distribution, and unclear use of overpayments dashboards delay effective oversight and timely action across Clinical Boards.
- Clinical Board-level oversight of staff overpayments is inconsistent and lacks sufficient integration, with responsibilities for monitoring and escalation remaining unclear.

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

- The 2026/27 Payroll Submission timetable needs to be disseminated to all relevant staff, and the SharePoint link needs to be updated, as it currently shows the 2024/25 schedule.

## 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	Staff are aware and are complying with the All-Wales Procedure for the Recovery of Overpayments	1	<b>Reasonable</b>
2	Line Managers have been provided with adequate information and training on the procedures for processing staff changes, terminations and absences and are aware of and comply with the timescales for actioning them	2,3	<b>Limited</b>
3	Clinical Boards and Medical Workforce action changes, terminations and absences in a timely manner for medical staff.	4,5	<b>Limited</b>
4	Effective monitoring, reporting and scrutiny of staff overpayments takes place at appropriate levels within Clinical Boards and the Health Board.	6,7	<b>Reasonable</b>

manager

### Management Actions

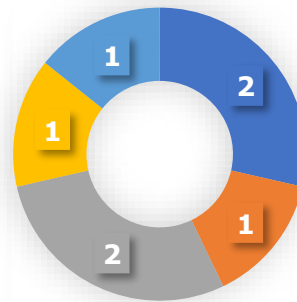


High Priority



Medium Priority

### Themes



- Communication & Engagement
- Governance
- Policies & Procedures
- Reporting
- Training & Development

### Risk Types

Financial Loss

# Findings & Agreed Action Plan

**Objective 1:** Staff are aware and are complying with the All-Wales Procedure for the Recovery of Overpayments

**Reasonable**

## Overview

The All Wales 'Recovery of Overpayment Procedure' was formally adopted by the People and Culture Committee in September 2024, following prior approval at an All-Wales level. It has since been uploaded to SharePoint, replacing the previous local policy. In addition, the Workforce Business Partner for the Medicine Clinical Board distributed both the procedure and the payroll timetable to key staff members within the Clinical Board.

Between September and November 2025, the staff overpayments dashboard recorded 43 managers across three clinical boards as being responsible for staff overpayments. Of these, 17 were from Children and Women, 19 from Medicine Clinical Board, and seven from Specialist Services. As part of the audit, a survey was developed to gauge these managers' understanding of procedures relating to the recording of staff changes, terminations, and absences which were the reasons for the staff overpayments occurring. The survey explored awareness of the 'All Wales Recovery of Overpayments Procedure', access to it, and how information was communicated. Among the responses collected, 53% indicated a lack of awareness regarding the policy. Of those who were familiar with it, this was primarily communicated to them through email, and nearly all knew where to access the procedure.

Key Findings	Risk & Impact	Agreed Management Action
<p>1 <b>Awareness of the Recovery of Overpayments Procedure</b></p> <p>The Procedure confirms that Line managers must promptly inform the Payroll Service of any pay changes. Timely and accurate notifications are essential to prevent payroll errors, so all staff should be familiar with this policy.</p> <p>We were advised by the Head of people Assurance and Experience that there had been no formal communication regarding the implementation of this procedure, we developed a survey to assess managers' comprehension of staff changes, terminations, and absences to ensure that they are being processed in a timely manner.</p> <p>We received 17 out of 43 survey responses, resulting in a response rate of 40%. Additionally, two individuals replied via email indicating that they were not involved in staff changes and therefore felt unable to complete the survey.</p> <p>The survey requested participants awareness of the 'All Wales Recovery of Overpayments' Procedure, how they accessed it, and how this information was shared with them. Of the respondents, nine (53%) were not aware of the policy, while</p>	<p>Lack of procedure awareness could result in inconsistent application of the procedure, delayed identification and recovery of overpayments, and non-compliance with NHS Wales requirements.</p>	<p><b>Agreed Action:</b></p> <p>Awareness campaigns and targeted communications will be launched to enhance employee's awareness of the 'All Wales Recovery of Overpayments' Procedure and how to access it.</p> <p>This could include the People Services Team undertaking virtual awareness training sessions across the UHB.</p> <hr/> <p><b>Expected Evidence of Implementation:</b></p> <ul style="list-style-type: none"> <li>Awareness sessions established, with confirmed attendance lists.</li> <li>Communication message sent out across the UHB using a variety of different mechanisms (ESR carousel, Health Roster, payslips, screen savers etc).</li> <li>Targeted communication, evidenced via minutes of Clinical/Service Board SMT meetings and Directorate Performance meetings.</li> </ul>

eight (47%) were aware, mainly as it was communicated via email. Of those eight, seven knew how to access the procedure.

**High Priority**

**Officer:** Katrina Griffiths

**Target Implementation Date:** July 2026

**Theme:** Policies & Procedures

Control Operation

**Objective 2:** Line Managers have been provided with adequate information and training on the procedures for processing staff changes, terminations and absences and are aware of and comply with the timescales for actioning them.

**Limited**

**Overview**

Section 9 of the Procedure requires NHS organisations to inform staff of the policy at the start of their roles and make it available on SharePoint and in induction training. To support the prevention and minimisation of staff overpayments, the Health Board implemented the Staff Movement Advice (SMA) application in September 2024. Prior to this, pay-impacting changes were processed using Excel-based forms, including ESR exception forms, payroll instruction forms, and termination forms. We established through meetings with Payroll that when the SMA app was launched, each Health Board received training from NWSSP aligned to its chosen configuration between SMA app and Managers Self Service (MSS) within ESR. Any necessary training after rollout should then be delivered by the Health Board rather than NWSSP. Additionally, NWSSP does not offer training sessions for new managers; these should also be conducted by the organisation itself.

Training videos for the SMA application are accessible via the NWSSP Staff Movement Advice app SharePoint page. The SMA app is designed to support all staff supervisors and managers in the efficient administration of payroll-related activities. The app is integrated into the Microsoft Teams environment, consolidating all actions such as starters, leavers, and changes into one area with a clear step-by-step process. In addition, toolkits containing employment advice and checklists are available on the People and Culture SharePoint page. However, neither the Induction Checklist, the Supplementary Information for Managers document or the Leavers checklist make reference to the Procedure, and supervisors demonstrated limited awareness or use of the Leavers Checklist.

To evaluate staff training and utilisation of the pay impacting systems for managing changes, terminations, and absences, relevant questions were included into the survey referenced under Objective 1. The survey results highlighted that there were training gaps; many respondents indicated a need for a clear guide covering Health Roster, MSS, and the SMA app, clarifying which tasks should be completed in each system. While users reported moderate confidence in locating and using the SMA app, a significant proportion continue to experience difficulties. Awareness of key features, such as editing submissions prior to Payroll action, in app communication, instant messaging, and monitoring logged issues within the app is limited, resulting in continued reliance on email. Although most users are aware of the delegation feature which allows Managers to assign someone else to handle responsibilities in their, absence according to the hierarchy within ESR, its actual use remains low.

While key controls are in place, including the implementation of the SMA app and access to supporting guidance, gaps in training, awareness and inconsistent use of available tools reduce the effectiveness of these controls. As a result, there is a continued risk that some pay-impacting staff changes may not be processed accurately or in a timely basis.

Key Findings	Risk & Impact	Agreed Management Action
<p>2 <b>Review of Induction and Exit Processes for New Managers.</b></p> <p>Section 9 of the Procedure addresses Training and Awareness. It specifies that NHS organisations are required to inform all employees, workers, and managers of the Procedure upon commencement of their roles. Additionally, the Procedure</p>	<p>Financial loss and non-compliance with all requirements Wales</p>	<p><b>Agreed Action:</b></p> <p>The Induction process and toolkits will be reviewed and updated to ensure that a) all new starters are aware of the need to identify any pay impacting changes to their line manager in a timely manner, to ensure that overpayments do not occur, and b) newly appointed managers are clear of their role in the timely</p>

<p>should be accessible via the NHS organisation's SharePoint site and referenced in induction programs and new manager training sessions.</p> <p>During the audit, Health Board contacts could not confirm whether the 'All Wales Recovery of Overpayments Procedure' or the SMA app is included in induction training for new managers. However, we were able to review the Workforce toolkits provided for induction.</p> <p>The Workforce Induction Toolkits provided to new managers currently do not include the Procedure. Additionally, there is no reference to the SMA app within these materials. This omission may result in new managers being unaware of key procedures and digital tools relevant to their roles.</p> <p>The Leavers Checklist offers a link to the SMA app but does not address the issue of overpayments. Furthermore, feedback indicates that supervisors have limited awareness of the checklist, and its usage appears infrequent. This suggests a need to improve both the content of the checklist and the communication around its importance.</p>		<p>processing of information via the SMA app and associated payroll deadlines.</p> <p>Management will review the Leavers Checklist to ensure that overpayments are explicitly addressed and will strengthen communication and guidance to supervisors to improve awareness and usage of the checklist.</p>
<p><b>Theme:</b> Training &amp; Development</p>	<p><b>Medium Priority</b></p>	<p><b>Expected Evidence of Implementation:</b></p> <ul style="list-style-type: none"> <li>• Revised Induction Training and toolkits developed</li> <li>• Revised Leavers checklist developed</li> <li>• Comms developed (re the above) and shared across the UHB.</li> <li>• Minutes of CB SMT meetings and Directorate Meetings to evidence discussions.</li> </ul> <p><b>Officer:</b> Katrina Griffiths</p> <p><b>Target Implementation Date:</b> July 2026</p>
<p>3 <b>Consolidated systems guide for managing pay changes, terminations, and absences.</b></p> <p>In order to assess whether staff have received adequate training and feel supported in managing staff changes, terminations, and absences, we included several training-related questions in the survey referenced in Objective 1.</p> <p>From the survey results of the 17 supervisors, it was identified that:</p> <ul style="list-style-type: none"> <li>• 59% had watched the SMA app videos.</li> <li>• 44% of respondents considered the available training materials to be sufficient for confidently using all features of the SMA app and Managers Self Service (MSS).</li> <li>• 59% of respondents did not know the distinction between the SMA app and MSS and when each should be utilised.</li> </ul>	<p>Lack of procedure awareness and training could result in inconsistent application of the procedure, delayed identification and recovery of overpayments, and non-compliance with NHS Wales requirements.</p>	<p><b>Agreed Action:</b></p> <p>A clear, consolidated guide covering Health Roster, MSS, and the SMA app will be developed and distributed to managers and supervisors, clarifying responsibilities and processes for managing pay changes, terminations, and absences.</p> <p>The guide will include step-by-step instructions, screenshots, and troubleshooting tips for managing staff changes, terminations, and absences.</p> <p>This guide will also provide clear direction on when managers should use the SMA app in place of MSS, offering concise instructions about each system's roles, features, and best uses and shared with key staff once completed.</p> <p>Awareness campaigns and targeted communications will be initiated to disseminate this guide and training resources, and supplementary training will be offered where required.</p>

<ul style="list-style-type: none"> <li>• 72% stated they would benefit from a comprehensive user guide detailing the appropriate use of each system; Health Roster, MSS, and the SMA app for managing staff changes, termination and absences.</li> <li>• The average confidence in submitting staff changes and related tasks was 3.39 on a 1-5 scale, suggesting moderate confidence.</li> <li>• Awareness of instant messaging and the monitoring of “logged issues” within SMA app is low; “Not sure” was the most common response.</li> <li>• Awareness of delegation with the SMA App is relatively high, but actual usage is low.</li> <li>• 94% use emails to contact payroll and only one respondent used the SMA app.</li> </ul>		<p><b>Expected Evidence of Implementation:</b></p> <ul style="list-style-type: none"> <li>• Guide developed and distributed with evidence of comms throughout the UHB.</li> <li>• Minutes of CB SMT meetings and Directorate Meetings to evidence awareness raising, including targeted communications.</li> <li>• Bespoke sessions established for those areas/managers that require additional support.</li> </ul>
<p><b>Theme:</b> Policies &amp; Procedures</p>	<p><b>High Priority</b></p>	<p><b>Officer:</b> Katrina Griffiths  <b>Target Implementation Date:</b> August 2026</p>
	<p>Control Design</p>	

**Overview**

Staff Overpayment Dashboards detailing staff overpayments for the period September to November 2025 were provided, highlighting 49 occurrences of overpayment across the three Clinical Boards. 20 overpayments occurred within the Children and Women Clinical Board at a cost of £45k, Medicine Clinical Board reported 21 instances at a cost of £39k and Specialist Services had eight totalling £13k.

A review was conducted of 11 non-medical overpayments from the 49 occurrences of overpayments in these Clinical Boards: four within Children and Women, five in Medicine, and two in Specialist Services. The findings identified several recurring causes of overpayment, alongside a need for strengthened training and process enhancements. They also highlighted that Staff in Post list reviews are not routinely undertaken within the Clinical Boards.

Departments notify the Medical Resourcing team of staffing changes via email for medical staff. The team is responsible for actioning changes, terminations and absences for Clinical Board medical staff by updating the Micro Imaging Services Limited (MISL) system and using the SMA app to notify payroll to ensure accuracy. There are no formal process guides in place for the Medical Resourcing team. Administrative tasks are managed through the SMA system, which was supported by initial training and video guides, all of which staff members are aware of. The team transferred from paper to electronic systems last year and are now using SMA for payroll and MISL for secure, web-based storage of personal files. Only the medical resourcing team has controlled access, and we have been informed that this is regularly updated with the system provider.

We were informed by Medical Resourcing that medical staff overpayments mainly result from late departmental notifications of changes such as job plan reductions or resignations, which delay payroll updates. Overpayments also occur when departments do not promptly report mid-contract resignations. Both of these causes were identified in our sample testing as the reasons that led to overpayments. The Medical Resourcing team also maintains a manual 'Workforce overpayments Log', but this relies on consistent updates from the team, as the staff overpayment dashboard is inefficient for identifying doctors by role.

A review of six Medical Staff overpayments was conducted, encompassing late terminations, role changes, and delayed absence notifications between September and November 2025. Each case demonstrates distinct administrative oversights and communication challenges that led to payment discrepancies.

Key Findings	Risk & Impact	Agreed Management Action
<p>4 <b>Non - Medical Staff Overpayments</b></p> <p>A sample of 11 non-medical staff overpayment cases was reviewed across three Clinical Boards, highlighting various reasons for overpayments, including:</p> <ul style="list-style-type: none"> <li><b>Common Causes of Overpayments:</b> Issues include late notification of absences, late termination processing, confusion over system use, delayed management reporting, and errors in pay band assignments. Three</li> </ul>	<p>There is a risk of financial loss to the organisation due to preventable staff overpayments arising from delays in processing</p>	<p><b>Agreed Action:</b></p> <p>Managers will be reminded of their responsibility to submit absence and termination notifications promptly, and compliance will be monitored through regular workforce reporting.</p> <p>Additional training resources and refresher materials will be provided to managers to clarify MSS and SMA responsibilities, payroll cut-off dates, and the correct processes for reporting changes. This will include targeted sessions for areas with identified recurring errors.</p>

<p>cases revealed delays of up to six months before corrections were made.</p> <ul style="list-style-type: none"> <li>• <b>Training and Process Improvement Needs:</b> Feedback from Managers highlighted a lack of training and uncertainty regarding procedures, both of which contributed to delays and errors. Some overpayments were attributed to missed payroll cutoffs and unclear system responsibilities. These issues were also evident during our testing exercise.</li> <li>• <b>Missed Staff in Post (SIP) Reviews:</b> Many overpayments could have been avoided with regular SIP checks. In four of the eleven cases reviewed, earlier checks would have identified the issue, highlighting the importance of monthly SIP reviews.</li> <li>• <b>Absence of Management Response:</b> In two instances, the managers did not provide the requested information. As the cases were processed via MSS within ESR, we were unable to obtain further details, as this data is not available on the overpayment's dashboard. Consequently, the duration and period of the</li> </ul>	<p>leavers, absences, and changes to pay</p>	<p>Monthly SIP reviews will be established between Manager, Senior People &amp; Culture BPs and Senior Finance BPs.</p>
<p><b>Theme:</b> Communication &amp; Engagement</p>	<p style="background-color: red; color: white; text-align: center;"><b>High Priority</b></p> <p>Control Operation</p>	<p><b>Expected Evidence of Implementation:</b></p> <ul style="list-style-type: none"> <li>• Comms developed and shared widely re Managers responsibilities.</li> <li>• Guide Developed and disseminated, as evidenced in Key Finding 3. This will include materials that cover MSS and SMA responsibilities, as well as payroll cut off dates etc.</li> <li>• Compliance will be monitored via monthly dashboard reports.</li> <li>• Bespoke, targeted sessions established for those areas where reoccurring errors are identified.</li> <li>• Monthly SIP reviews established between Manager, Finance and People &amp; Culture.</li> </ul> <p><b>Officer:</b> Katrina Griffiths</p> <p><b>Target Implementation Date:</b> Initial comms – April 2026. Development of Guide – August 2026</p>
<p>5 <b>Medical Staff Overpayments</b></p> <p>Six Medical Staff overpayments were reviewed involving late termination, changes, and delayed absence notifications during September–November 2025. Each case highlights specific administrative oversights and communication issues contributing to payment errors. These overpayments were also checked against the Medical Resourcing 'Workforce overpayments Log'.</p> <ul style="list-style-type: none"> <li>• <b>Two Late notification cases caused overpayment:</b> One case involved unpaid leave being recorded in MSS one month after the absence started, resulting in two payroll deadlines being missed. The responsible manager was unaware of the overpayment. This issue should have been identified during a SIP review. A separate instance where unpaid leave was not entered into MSS led to an overpayment of £13,000. The Directorate Manager and Finance identified this overpayment while reviewing the budget.</li> <li>• <b>Termination processing delays:</b> Two cases related to late terminations. In one instance the doctor was</li> </ul>	<p>There is a risk that key detective controls designed to identify payroll anomalies are not operating consistently or effectively across services</p>	<p><b>Agreed Action:</b></p> <p>The following actions will be undertaken to ensure payroll changes for medical staff are processed accurately and promptly, reducing delays caused by informal or manual communication between clinical departments, Medical Resourcing, and Payroll.</p> <ul style="list-style-type: none"> <li>• Reinforce clear responsibilities for the Clinical Boards for notifying Medical Resourcing of absences, early resignations and contractual changes.</li> <li>• Produce concise guidance setting out responsibilities between departments and Medical Resourcing.</li> <li>• Issue periodic reminders to departments of payroll deadlines and escalation routes for late changes. We will also consider introducing earlier internal cut off dates for departments to allow validation before payroll deadlines.</li> <li>• Reemphasise to departments the importance of monthly Staff in Post reviews.</li> <li>• All identified Medical Staff overpayments will be recorded consistently on the Workforce Overpayment Log, to support the identification of recurring themes and associated training needs.</li> </ul>

<p>overseas and unaware their post remained open. In the other, the delay resulted from a departmental misunderstanding and failure to notify Medical Resourcing of an early resignation, resulting in overpayment spanning several months. Both issues were partly attributed to training needs.</p> <ul style="list-style-type: none"> <li>• <b>Missed payroll adjustments and oversight:</b> Two of six late changes were a result of delayed processing by Medical Resourcing, resulting in missed payroll deadlines and ongoing errors in payment amounts.</li> <li>• <b>Workforce Overpayments Log:</b> Of the six medical staff overpayments examined, two were not entered into the Overpayment Log.</li> </ul>		<p><b>Expected Evidence of Implementation:</b></p> <ul style="list-style-type: none"> <li>• Comms developed and shared widely re Clinical Board responsibilities.</li> <li>• Guide/resources developed and disseminated which highlight responsibilities between departments and Medical Resourcing, as well as payroll cut off dates and escalation routes for late changes. These will be re-issued on a periodic basis.</li> <li>• Compliance will be monitored via monthly dashboard reports.</li> <li>• Bespoke, targeted sessions established for those areas where reoccurring errors are identified.</li> <li>• Monthly SIP reviews established between Manager, Finance and People &amp; Culture.</li> <li>• All medical overpayments will be clearly documented on the Workforce Overpayment Log.</li> </ul>
<p><b>Theme:</b> Communication &amp; Engagement</p>	<p><b>Medium Priority</b></p> <p>Control Operation</p>	<p><b>Officer:</b> Katrina Griffiths</p> <p><b>Target</b> Implementation Date: Initial comms – April 2026. Development of Guide – August 2026</p>

**Overview**

We identified inconsistent distribution, review and oversight of overpayments dashboards across the three Clinical Boards. While dashboards are produced and have prompted management action in some areas, the absence of a standardised, reliable and evidenced approach limits management and Board-level assurance that overpayments are being identified, investigated and resolved consistently across the organisation.

In November 2025, the private Audit and Assurance Committee was advised that ongoing monitoring responsibilities for salary overpayments had been transferred to the Clinical Board's monthly Executive Performance Reviews. Documentation confirmed that a salary overpayment report was prepared for review at the Executive Performance Review meetings of both the Medicine and Children and Women Clinical Boards. However, when Clinical Boards were asked to specify the formal meeting at which salary overpayments are monitored, their responses lacked clarity, and none indicated that this monitoring forms part of the Executive Performance Review meeting.

In addition, although there is some evidence of review within certain Clinical Boards, current arrangements at Clinical Board level are not consistently implemented and lack integration within established Board governance frameworks. Staff overpayments are not regularly included as a standing agenda item among Clinical Boards, resulting in unclear accountability for review and escalation procedures. Unfortunately, assurance on effective monitoring, reporting and scrutiny of staff overpayments could not be provided for Specialist Services, as no supporting evidence was provided.

Salary overpayment has been a longstanding focus for the private Audit and Assurance Committee with a People and Culture Assurance Report being presented at the May and November 2025 meetings. A report for the February 2026 meeting highlighted a rise in overpayments between October and December 2025 and most of this increase was due to six specific high-value cases, suggesting that this was not due to a general decline in oversight.





Key Findings	Risk & Impact	Agreed Management Action
<p>6 <b>Inconsistent distribution and oversight of Staff Overpayments Dashboards</b></p> <p>The November's private Audit and Assurance Committee reported that Directors of Operations and Senior People &amp; Culture Business Partners now have direct access to the Overpayments Dashboard, enabling them to view live data to support proactive management and early intervention. While evidence confirms that dashboards were shared by the Senior People &amp; Culture Business Partners for the Medicine and Children and Women Clinical Boards, distribution has been inconsistent across the Clinical Boards. Dashboards were initially issued on a monthly basis at the start of the year but later moved to a quarterly frequency towards year-end.</p>	<p>Overpayments are not identified, reviewed, or addressed in a timely manner; and</p> <p>Inconsistent oversight across Clinical Boards reduces accountability and assurance over payroll controls.</p>	<p><b>Agreed Action:</b></p> <p>Management recognises the importance of consistent oversight of overpayments and acknowledges the challenges associated with the current manual processes.</p> <p>We will strengthen controls over the distribution across all Clinical Boards by:</p> <ul style="list-style-type: none"> <li>• Standardising the frequency of dashboard distribution across all Clinical Boards.</li> <li>• Introducing automation, where possible, to reduce reliance on manual data segmentation and case assignment.</li> <li>• Clearly defined responsibilities for reviewing dashboards and evidencing actions taken.</li> </ul>

<p>The inconsistency in distribution could be linked to the manual processes involved in enhancing the dashboard’s usefulness. Senior People &amp; Culture Business Partners are required to individually assign case reports to “oneup” managers, manually identify reporting lines, and segment datasets for tailored distribution. This process is time consuming and labour intensive. Additionally, it's uncertain whether the Director of Operations access the live dashboards or are able to manipulate the dashboard data effectively.</p> <p>In relation to the Specialist Services Clinical Board, we were unable to confirm whether overpayments dashboards had been distributed. No responses were received to requests for evidence of distribution, review, or action taken, despite follow-up attempts.</p>		<ul style="list-style-type: none"> <li>Establishing escalation arrangements where evidence of review or action is not provided within agreed timescales.</li> </ul> <p><b>Expected Evidence of Implementation:</b></p> <ul style="list-style-type: none"> <li>A monthly schedule will be developed which standardises when each Clinical/Service Board receive their overpayments information.</li> <li>Automation will be used to reduce reliance on manual data segmentation and case assignment.</li> <li>The ‘Guide’ which has been referenced at various points throughout this document – will clearly define responsibilities for reviewing dashboards and evidencing actions, as well as establishing escalation arrangements.</li> </ul>
<p><b>Theme:</b> Reporting</p>	<p><b>Medium Priority</b></p> <p>Control Operation</p>	<p><b>Officer:</b> Katrina Griffiths</p> <p><b>Target Implementation Date:</b> Schedule (April 2026) Development of Guide (August 2026)</p>
<p>7 <b>Oversight and governance of staff overpayments at Clinical Board level</b></p> <p>We established that Clinical Board level oversight of staff overpayments is inconsistent and insufficiently embedded, limiting effective challenge and assurance.</p> <ul style="list-style-type: none"> <li>In the Medicine Clinical Board, we evidenced that salary overpayment information is generated and reviewed periodically. Records indicate these overpayments were addressed at the Medicine Clinical Board Formal Board meeting in August; however, the responsibility for continued monitoring and escalation remains undefined.</li> <li>Email records for Children and Women highlighted that monitoring was done occasionally, but there is no evidence that salary overpayments was formally discussed at a Clinical Board meeting. As with the Medicine Clinical Board, responsibility for ongoing monitoring and escalation is unclear.</li> </ul>	<p>Staff overpayments lack consistent Clinical Board scrutiny, ongoing payroll errors, delayed fund recovery, and reduced accountability.</p>	<p><b>Agreed Action:</b></p> <p>Clinical Boards will include staff overpayments as a standing agenda item within their Formal Board meetings, supported by regular summary reports and formal action tracking processes to provide assurance for Executives.</p> <p>Each Clinical Board will formally assign clear accountability for the scrutiny, management, and escalation of staff overpayment reports. The nominated lead will be responsible for overseeing management actions, monitoring recovery progress, and ensuring that recurring or systemic issues are escalated in line with agreed governance arrangements.</p> <p><b>Expected Evidence of Implementation:</b></p> <ul style="list-style-type: none"> <li>Minutes of Clinical/Service Board meetings which evidence staff overpayments as a standard agenda item, as well as associated actions, including the role and responsibilities of the nominated lead.</li> </ul>

<ul style="list-style-type: none"> <li>In Specialist Services, no evidence was provided, preventing Audit from obtaining any assurance over governance arrangements.</li> </ul> <p>Collectively, these weaknesses indicate that current arrangements do not provide Executives with reliable or consistent assurance that staff overpayments are being effectively managed at Clinical Board level.</p>		<ul style="list-style-type: none"> <li>Discussions at Exec Performance Reviews which evidence action that has been taken.</li> <li>The Guide previously discussed and associated comms will evidence that the relevant Managers have received and are aware of their responsibilities for the monitoring, management and recovery of overpayments.</li> </ul>
<p><b>Theme:</b> Governance</p>	<p><b>Medium Priority</b></p> <p>Control Design</p>	<p><b>Officer:</b> Katrina Griffiths</p> <p><b>Target Implementation Date:</b> August 2026</p>

# Appendix A

## Assurance Opinion

	<b>Substantial</b>	Few matters require attention and are compliance or advisory in nature. <b>Low impact</b> on residual risk exposure.
	<b>Reasonable</b>	Some matters require management attention in control design or compliance. <b>Low to moderate impact</b> on residual risk exposure until resolved.
	<b>Limited</b>	More significant matters require management attention. <b>Moderate impact</b> on residual risk exposure until resolved.
	<b>Unsatisfactory</b>	Action is required to address the whole control framework in this area. <b>High impact</b> on residual risk exposure until resolved.
	<b>Advisory</b>	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
<b>High</b>	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
<b>Medium</b>	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](#)

## Disclaimer

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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.

