

A large, stylized blue wavy graphic that flows across the top of the page, partially overlapping the title and the main title.

**Overpayment of Salary
Management Guidance**

Contents

1. Purpose and Policy Statement	2
2. Definitions	2
3. Responsibilities	2
4. The process	3
5. Disputed overpayments	3
6. Equality and Diversity and Inclusion Monitoring	4

1. Purpose and Policy Statement

The aim of this policy is to ensure that managers and colleagues are aware of their responsibilities to help ensure salary and expenses payments are made correctly by submitting claims and details of changes to an employee's circumstances in a timely manner, taking account of payroll processing deadlines, and of their responsibilities when an overpayment of salary occurs, including the overpayment recovery process. NHS Blood and Transplant is required to seek the recovery of overpayments to protect public monies.

2. Definitions

For the purposes of this policy, overpayments are defined as a payment of salary, expenses or allowance which is paid to an individual in excess of their contractual entitlement. Overpayments can arise due to:

- Late notification of a change to an employee's circumstances, e.g. commencement of part-time working from full-time.
- Late notification of an employee commencing sickness, maternity or unpaid leave.
- Late notification of an employee leaving the organisation.
- Incorrect completion of timesheets of expense claims.
- Overtaken annual leave at time of termination.

This list is not exhaustive but gives examples of how overpayments can occur.

3. Responsibilities

It is the responsibility of everyone involved in receiving, monitoring and administering employees' salaries to help prevent overpayments. This includes employees, managers, the Pay Support Team, and HR and Finance departments.

Our commitment to inclusion across sexual orientation; gender; age; gender reassignment; pregnancy and maternity; disability; religion or belief; race; marriage and civil partnership, identity, all abilities and experience drives us forward every day.

Manager's responsibility

Managers are responsible for the timely and accurate completion of all paperwork relating to terms and conditions changes for their team, taking into account the payroll authorisation deadlines. Managers are also responsible for checking their monthly budget report, ensuring any anomalies are acted upon in a timely manner.

Employee's responsibility

All employees are responsible for regularly checking their payslips to ensure that they are receiving the correct pay and allowances and must bring any anomalies immediately to the attention of their manager and HR Direct on 0117 32 27700 as a matter of urgency.

HR Direct

HR Direct will be responsible for logging the query and passing to the Pay Support Team.

Pay Support Team

The Pay Support Team are responsible for the administration of payroll and overpayments in an accurate and timely manner. They ensure that any payment errors are identified, and the employee advised in a timely manner. Where the cause of the overpayment is as a direct result of action, or inaction, by the employee's line manager, the Pay Support Team will contact the manager to ensure that they are made aware of the error to prevent recurrence and ensure they

understand the impact and the repercussions that overpayments cause. Prepare a monthly report of overpayments and share this with Finance and HR Workforce Specialist Services Team.

The HR Pay and Reward Team

The HR Pay and Reward team will deal with the management of overpayment cases where employees are disputing any aspect of the repayment plan.

People Consultant

To meet with employees over repayment plans for overpayments that are in dispute.

4. The Process

The Pay Support Team will calculate all salary adjustments and overpayments.

Salary Adjustments

A salary adjustment is an adjustment to pay that recovers money that could be overpaid in the current and previous month only. These will be recovered in full, from the employee's salary in the current month.

Overpayments

An overpayment is an adjustment that requires money to be recovered from an employee and relates to periods prior to the current and previous month. The Pay Support Team will inform the employee(s) concerned, in writing, of the overpayment including details of how the overpayment has occurred and a suggested repayment plan. The period of the repayment plan will normally be over the same length that the overpayment occurred.

Where there is no dispute, and the employee is repaying or has agreed to repay the overpayment, this will be handled by the Pay Support Team.

Where an overpayment has been made to an employee who has left NHSBT, the Pay Support Team will inform the employee(s) concerned, in writing, of the overpayment including details of how the overpayment has occurred and a suggested repayment plan.

If an employee leaves NHSBT whilst repaying an overpayment, the outstanding balance of the overpayment will be recovered in full, from their final salary. Should their final salary not cover the outstanding balance, this will be invoiced via the Finance Department and may be subject to collection by our nominated debt collection agency.

Where the overpayment is as a result of action taken by the Pay Support Team then the Pay Support Team manager will review the incident, processes and procedures to ensure that steps are taken to prevent the overpayment from happening again.

5. Disputed overpayments

When an overpayment is disputed the Pay Support Team will refer the case to the HR Pay and Reward Team. The Pay and Reward team will examine the case and establish who is the most appropriate People Consultant to deal with an overpayment meeting with the employee.

The People Consultant appointed to deal with the overpayment will convene a meeting with the employee and their manager within one calendar month of receiving the notification from the HR Pay and Reward team. The employee can bring a union representative to the meeting if they wish. The People Consultant will facilitate the meeting to confirm NHSBT's position in relation to the overpayment, e.g. explain that NHSBT has a contractual right to recover the overpayment, and a duty to protect public monies. The People Consultant will outline the background to the overpayment with telephone support from the Pay Support Team if appropriate. The employee/union representative will be given the opportunity to express their point of view in relation to the overpayment and the cause of it.

In line with NHSBT's Standing Financial Instructions, the People Consultant does not have the right to agree to a reduction of the overpayment or to write it off. However, they can recommend extending the length of the repayment period.

Following the meeting the People Consultant will document their discussion and what was agreed at the meeting. Where agreement to repay the overpayment is reached the HR Pay and Reward Team will advise the Pay Support Team who will write to the member of staff, based on the outcome of the meeting and recovery will commence.

If agreement to repay the overpayment is not reached at the meeting and all of the issues have been fully explored, then a summary of the discussion and reason why the employee is refusing to repay must be clearly documented. The case will then be referred to the Senior HR/Finance team.

The Senior HR/Finance team will consider all the information available and will make a decision to either:

- 1) Commence recovery of the overpayment (where appropriate seeking legal advice) **or**
- 2) Make a recommendation, to either fully or partially write off the overpayment. The reason for this course of action will be for one or more of the following reasons:
 - Clear mitigating circumstances, e.g. hardship/distress/estoppel
 - Clear evidence from the employee that they have tried to address this previously and NHSBT have not actioned their concern.
 - Death in service
 - Terminal illness

The HR Pay and Reward Team will communicate the decision reached by the Senior HR/Finance team to the employee.

Where the Senior HR/Finance team do not feel that NHSBT should pursue recovery of the full overpayment then a recommendation will be prepared to either partially or fully write off the overpayment for the Chief Finance Officer and Chief People Officer's approval. The HR Pay and Reward Team will write to the employee with the outcome of their decision.

When a reduction or write off is approved every step must be taken to ensure that the cause of the overpayment does not happen again. This will involve all parties identifying exactly how the overpayment occurred and reviewing all internal processes to ensure they are robust.

6. Equality and Diversity and Inclusion monitoring

The application of the Overpayment guidance will be monitored by the HR Pay and Reward Team. This is to ensure that all overpayment recovery from colleagues is fair and equitable and that there is no discrimination against any group of staff regardless of age, gender, disability or ethnicity.

Our commitment to inclusion across sexual orientation; gender; age; gender reassignment; pregnancy and maternity; disability; religion or belief; race; marriage and civil partnership, identity, all abilities and experience drives us forward every day.