

REPORT TO	DATE OF MEETING
GOVERNANCE COMMITTEE	23 NOVEMBER 2016



SUBJECT	PORTFOLIO	AUTHOR	ITEM
FLEXITIME AND OVERTIME AUDITS - FOLLOW UP REPORT	LEADER	S NUGENT	8

1. SUMMARY AND LINK TO CORPORATE PRIORITIES

This report details information of the issues arising from the Governance Committee held on 29 June 2016, in respect of audits undertaken of Flexitime and Overtime.

. The report reflects the Corporate Priority of an “Efficient, Effective and Exceptional Council”.

2. RECOMMENDATIONS

Governance Committee are asked to;-

1. Note the details in the report.

3. DETAILS AND REASONING

At the Governance Committee meeting held on 29 June, details of the audit reports regarding Flexitime and Overtime were considered. The Head of HR was in attendance to respond to the questions.

Following questions raised by the Committee members and other members, further information was requested.

3.1 The Committee resolved that in respect of Flexitime that;-

- *A report be provided to the committee outlining the scale of manual adjustments, the offences committed and sanctions subsequently imposed.*

When an audit is undertaken a summary document is produced by the Auditor, to assist in producing the final audit report. This document is usually retained by the Auditor and the lead officer for the audit is given the audit report.

Attached to this report is the summary document to assist in providing details to the Committee of the issues raised in the audit report. The sample audit was undertaken in June 2015.

The summary document provides details of;-

- the employees who submitted adjustments during this period
- the audit findings

- the number of adjustments
- details regarding the adjustment
- the issue identified
- the action taken

The sample audit identifies issues whereby there had been breaches of the corporate standards in respect of the Flexible Working Hours Scheme and the Flexi-time Administrative Guidance. These mainly relate to data input errors and adjustments not correctly authorised.

All of the issues identified have been addressed with the employees concerned. This has included meetings between the employees concerned and the Director and the Flexi-time Controller.

This action was considered reasonable in the circumstances. All employees, via their Manager have been made aware of the need to adhere to the requirements of the Flexible Working Hours Scheme. In addition it should be noted that disciplinary action has been taken against two employees.

3.2 The Committee resolved that in respect of Overtime that;-

- a] Overtime claims over the last 12 months be reviewed by Human Resources,*
- b] A cross-check of overtime claims against flexi-time system be undertaken by Human Resources,*
- c] Information be provided on the amount of money over/underpaid and the amount subsequently recovered by Human Resources,*
- d] An explanation be provided by Human Resources of why no disciplinary action was taken against managers.*

A response to the above four points is detailed below;-

- a] Overtime claims over the last 12 months be reviewed by Human Resources;*

Since January 2016, Human Resources [HR] undertake monthly checks and record any actions needed to be taken. This will for example be, correcting any errors and notifying the employee and/or Manager of the error.

Between May and December 2015 details checks were undertaken by HR. Some issues were identified whereby there was insufficient details in the “reasons for work” column, on the system. The hours did however match up with the employee’s flexitime record.

- b] A cross-check of overtime claims against flexi-time system be undertaken by Human Resources;*

This has been undertaken by HR, for claims made since May 2015. An issue that was identified was that some employees were not able to use the flexitime recording system

when working overtime/additional hours. This would be for example if they had been working off-site or at home. The claim could therefore not be fully verified.

c] Information be provided on the amount of money over/underpaid and the amount subsequently recovered by Human Resources,

The audit sampled two periods – April and June 2015

Sample for April 2015

Of the 9 cases in the sample 7 cannot be verified, this is because of insufficient information being available, such as the employee worked off-site or at home.

1 is correct, this was a Caretaker claiming for opening up the Civic Centre on a Saturday

1 required further investigation – see below

Employee A – 21 April 2015

- Clocked 7.50mins on flexi, target time is 4 hours. OT claim (plain time) 3.5hrs
- No adjustment to flexi made

This issue has been resolved with the flexitime being readjusted.

Sample for June 2015

Of the 14 cases 7 cannot be verified, due to insufficient information being available, such the employee worked off-site or at home.

4 of the cases are correct as it is a Caretaker claiming for opening up the Civic Centre on a Saturday

3 required further investigation – see below

Employee B – 14 June 2015

- 4.24mins clocked on flexi but 5.25 claimed and paid in July

Employee C – 14 June 2015

- 4.09 mins clocked on flexi but 6.50 claimed and paid in July

Employee D – 12 June 2015

- 6.42 mins clocked on flexi, target time is 4 hours. 4 hours have been claimed at plain time.

These issues have been resolved with the flexitime being readjusted.

d] An explanation be provided by Human Resources of why no disciplinary action was taken against managers.

No disciplinary action has been taken against Managers in relation to self-serve claims as it was a new system of work and training was necessary and then allowing a period of settling in.

Claiming overtime/additional hours at flat rate, is infrequent for many services and therefore after the initial training some employees and Managers did not submit a claim for some months after. Therefore if there was anything incorrectly identified, those Managers or employees involved were advised of the correct procedure.

Any errors that have occurred have been investigated and identified as genuine errors rather than any deliberate attempt to obtain extra money or time.

Most of the errors related ; insufficient information of the detail of the claim, choosing the incorrect element to be paid on, not having the correct approval for officer on or over scp 28 and not using flexi system to record hours of work. In some cases claims were underpaid, i.e. a casual failing to claim for holiday pay.

As employees and Managers become more proficient in inputting claims and authorising claims, together with the HR checking processes, it is anticipated that issues identified in the Audit will no longer occur.

It should be noted that all Managers have been further reminded of the need to fully check a claim before approving it. If there is a clear failure to do this, then the matter will be considered within the Council's Disciplinary Procedure.

WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below, and the table shows any implications in respect of each of these. The risk assessment which has been carried out forms part of the background papers to the report.

FINANCIAL	None		
LEGAL	none		
RISK	None		
THE IMPACT ON EQUALITY	No adverse impact for equality issues arising from this report.		
OTHER (see below)			
<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>