*Questions 1 & 2:*

* *The number of underpayments and overpayments made each pay period, broken down into gross dollar value bands in increments of $500 (e.g. overpayments $0-$499, overpayments $500-$999, underpayments $0-$499, etc*
* *The number of staff employed by New Zealand Post during each of these pay periods.*

The attached spreadsheet shows the number of under and overpayments adjusted in each pay period for the calendar year 2012. Adjustments for incorrect pays are managed through an “off-cycle pay-run”.

Where an employee has been underpaid, this is processed and paid the day after the normal pay day to ensure minimal impact to the employee. When an overpayment occurs it is adjusted as soon as possible in the employee’s pay record. This process is in place to ensure the employee’s earnings record remains correct. Recovery of the overpayment is then undertaken through a formal engagement with the employee and their manager.

We have outlined the percentage of occurrences of under/overpayment related to the total number of employees paid in each period. NZ Post Ltd pays staff either weekly or fortnightly, so the number of employees paid in every second week fluctuates depending of whether that week also included the fortnightly pay-run.

Public holidays are the leading cause of pay adjustments as timelines are shortened to meet business and banking requirements and it is often difficult to predict work patterns.

Not all off-cycle payments are avoidable. For example, where an employee has been late in providing their new hire information, we may be able to make an off-cycle payment for that person to prevent hardship.

*Question 3:*

*If available, a breakdown of numbers of underpayments and overpayments by reason: entering error at the team leader's or manager's end, processing error by the payroll team, system error.*

While not specifically related to over or underpayment, Employee Information Service (EIS)/Payroll have a call management system which assigns a “root cause” to all closed incidents and records avoidable actions. These may not cause under or over payment but have involved an inaccuracy or error of some kind.

This call management system has been operational since 25 February 2012. Since then, our customer response team have managed 49,128 incidents. An incident may be anything from:

* Faxed or scanned job change documentation.
* Phone contact from a team leader seeking clarification/support.
* The reporting of an overpayment, underpayment or other error

The number of these which resulted in the root cause of “error or delay” are:

|  |  |
| --- | --- |
| **Root cause of delay or error** | **Number** |
| Team Leader inputting delay or error | 2339 |
| EIS/Payroll inputting delay or error | 829 |
| System Process Issue | 1008 |
| **TOTAL DELAY OR ERROR** | **4176** |

As a percentage of the total incidents logged, those related to error or delay are 0.0850% for this period.

*Question 4:*

*Number of staff members who have had errors over multiple pays. E.g.: number of staff with a total of 0 pay periods with an error, number of staff with a total of 1 pay periods with an error, number of staff with a total of 2 pay periods with an error, etc.*

Our system was developed to automatically make a retrospective adjustment back to the time of the change. While the information therefore exists, it would require substantial research and collation to find and understand it. We would have to review all under and overpayments, establish if they were caused by error and then review pay periods around each of these for each individual.

We have therefore reached the decision to refuse your request in relation to Question 4 under section 18(f) of the Official Information Act, on the ground that the information requested cannot be made available without substantial collation or research.

You have the right, by way of complaint to the Ombudsman under section 28(3) of the Official Information Act, to seek an investigation and review of our decision to withhold the information you requested in Question 4.

Please note that we do undertake a weekly off-cycle payment to ensure minimal hardship to any employee who has missed any part of their entitled wages. Therefore, when notified within our organisational time frames, non-payments are remedied within a 48 hour period.