From: <u>Cassie Botha</u>

To: \$47F

Cc: Rebekah Donaldson; Monica Vagg; Vanessa MacBean

Bcc: LEGAL Buyout review 2020 20130021 Emails

**Subject:** Update on ABC Review into Buyouts and Band 1 classifications [ABC-PAL.FID37968]

**Date:** Wednesday, 23 December 2020 1:05:00 PM

Attachments: Letter to FWO 23 Dec 2020 - Update on Buyout and Band 1 Review.pdf

Dear Ms. **\$47**F

Please find attached an update on the status of the ABC's review into Buyouts and Band 1 classifications.

If you have any questions about the contents of the attached letter, please let us know.

We wish you a very Merry Christmas and all the best for a safe and happy new year.

Kind regards, Cassie



## Cassie Botha

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We acknowledge Aboriginal and Torres Strait Islander peoples as the First Australians and Traditional Custodians of the lands where we live, learn and work.

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23/12/2020

s47F	
Fair Work Ombuds	sman
s47F	

Dear Ms **s47F** 

Delivered by email

## Update on status of ABC Review into Buyouts and Band 1 Classifications

Further to my letters of 13 July 2020, 7 August 2020, and your phone conversation and email exchange with Vanessa MacBean, Head of Employee Relations on 15 October 2020, I would like to provide you with an update in relation to the ABC-initiated review into buyouts and Band 1 classifications.

As outlined in the PwC methodology document that the ABC provided to you on 13 August 2020, the review is occurring \$47(1)(b) with \$47(1)(b) having commenced in mid-September 2020. The ABC is now in \$47(1)(b) of the review.

The core objective of \$47(1)(b) of the review is to understand the completeness, reliability, and limitations of relevant Employee Master Data, Roster Data, Time and Attendance Data and Payslip Data. To support these activities, the ABC has identified that it will need to engage with various parts of the business to request input and to obtain additional data.

For employees included in the Band 1 review, it is necessary to seek additional information and clarification about the employees' duties and responsibilities for the periods they held a Band 1 classification. The scope of these activities for the Band 1 review is reasonably confined and therefore we are confident that we will be able to collect most of this information within the scheduled timeframe for \$\frac{47(1)(0)}{2}\$ of the review.

For approximately half of all employees included in the Buyout review, we have identified that we do not have a record in the payroll system of some or all of their start and finish times for the period they were on a buyout. We have concluded that it is therefore necessary to identify alternative or supplementary sources of Time and Attendance Data for these employees. This process will commence in early January 2021 and is expected to take a month or two to gather and analyse the data. We anticipate that the outcome of this process may require the ABC to make certain assumptions regarding Time and Attendance Data to enable the completion of the Buyout review. Should this occur, we would welcome the opportunity to discuss the proposed approach with the FWO at the appropriate time and we will be in touch with further information as it becomes available.

While the ABC does not have an obligation under the legislation to keep a record of hours for employees on buyout arrangements, the ABC has decided to commence recording of hours for all employees on buyout arrangements. We intend to introduce this in January 2021.



In early January 2021, the ABC plans to communicate to employees who are included in the review and to their relevant unions that it is conducting a review into buyouts and band 1 classifications. Employees will be provided with information on the review and contact details for any questions they may have relating to the review. The unions will be provided with a copy of the correspondence with employees and will be advised that the ABC is willing to meet to discuss any questions they have.

Finally, as you are aware, clause 71 of the ABC's Enforceable Undertaking requires the ABC to implement an electronic record keeping system that will enable casual employees to confirm their actual hours worked prior to their wages being processed. On 1 September 2020, the ABC advised the Fair Work Ombudsman's Compliance Relationship Manager, Leanne Edbrooke that the ABC has selected SAP Australia Pty Ltd as the vendor to provide the new electronic record-keeping system, called SAP Time Management by Kronos. We are pleased to confirm that the ABC is implementing the new system for all rostered ABC employees covered by the *ABC Enterprise Agreement 2019-2022* so that consistent time recording practices will be maintained across the ABC. The implementation of the new system is on track.

I trust that the information provided above demonstrates the robustness of the ABC's approach to identifying any potential underpayments and its continued commitment to improving its systems and processes.

Yours sincerely,

Rebekah Donaldson Chief People Officer

Australian Broadcasting Corporation

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