Management of Sickness Absence in the Northern Ireland Civil Service

N I A O

Northern Ireland Audit Office

Report by the Comptroller and Auditor General for Northern Ireland

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This report has been prepared under Article 8 of the Audit (Northern Ireland) Order 1987 for presentation to the Northern Ireland Assembly in accordance with Article 11 of that Order.

J M Dowdall CB   Northern Ireland Audit Office
Comptroller and Auditor General   21 May 2008

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Abbreviations

CBI	Confederation of British Industry
CIPD	Chartered Institute of Personnel and Development
CPG	Central Personnel Group
DARD	Department of Agriculture and Rural Development
DCAL	Department of Culture, Arts and Leisure
DE	Department of Education
DEL	Department for Employment and Learning
DETI	Department of Enterprise, Trade and Investment
DFP	Department of Finance and Personnel
DHSSPS	Department of Health, Social Services and Public Safety
DOE	Department of the Environment
DRD	Department for Regional Development
DSD	Department for Social Development
EOM	Establishment Officers Meeting
GB	Great Britain
HR	Human Resources
HSE	Health and Safety Executive
NAO	National Audit Office
NIAO	Northern Ireland Audit Office
NICS	Northern Ireland Civil Service
NISRA	Northern Ireland Statistics and Research Agency
OFMDFM	Office of the First Minister and Deputy First Minister
OHS	Occupational Health Service
PDG	Personnel Directors Group
PSG	Permanent Secretaries Group
WHIP	Workplace Health Improvement Programme

Executive Summary

1. The Department of Finance and Personnel (DFP) has overall responsibility for absence management policy in the Northern Ireland Civil Service (NICS), but departments have considerable flexibility in applying policies and procedures. There have been several initiatives to reduce absence in the last four years, including: setting a target to reduce absence to 9.5 days per staff year by 2010; formulating a Delivery Plan based on the GB Task Force model; and setting up an NICS Taskforce.

2. The average rate of absence has reduced from 15.5 days in 2003-04 to 13.7 days in 2006-07 and is expected to reduce to 12.7 by the end of March 2008. Absence rates vary across departments from a high of 18.7 days per staff year in the Department for Social Development to 9.2 days in the Department for Regional Development. The GB average is 9.3 days and reducing absence to GB levels would save £7 million a year. DFP believes that a degree of caution needs to be exercised when making comparisons with GB and has pointed out that this cost would not necessarily be recoverable in all cases.

3. Northern Ireland civil servants are not absent any more frequently than in GB, but they tend to be off work more than twice as long and absences lasting more than 20 days account for nearly 70 per cent of days lost. "Psychiatric/psychological" illness is the main cause of absence. DFP records show that nearly 90 per cent of these absences are due to "problems related to life management difficulty", stress, depression and anxiety. The level of female sickness absence in NICS is almost double the female rate in GB and accounts for almost two thirds of working days lost.

4. Absence reduction targets have been calculated to give a constant annual reduction. In NIAO's view these should also take account of differing patterns of absence within departments. Only two departments have set targets at sub-organisational levels such as agencies or business units. DFP told us that targets were based on a very comprehensive analysis of absence over time which indicated that the pattern of absence across departments and agencies was remarkably similar.

5. Relying on the implementation of existing procedures is unlikely to deliver the required reductions. Departments should analyse patterns of absence and target interventions on areas likely to deliver improvements. DFP told us that work had been done by individual departments; and the regular statistical information provided by the Northern Ireland Statistics and Research Agency (NISRA) has helped departments target action.

6. The overall civil service target to reduce absence is a major challenge for departments. However, no departments have targets in their Public Service Agreements and only three have targets in Service Delivery Agreements. Only six agencies have absence reduction as a key performance target and only three bodies have included absence reduction as a source of efficiencies in their Efficiency Technical Notes.

7. Best practice policies and procedures are in place but there is scope to improve their application. This was acknowledged in the 2004 Delivery Plan which required departments to formally audit compliance. However, we found that departments had carried out only limited reviews of some aspects of the process, such as return to work interviews, and resources have not been made available to carry out comprehensive compliance reviews.

8. Some departments delegate absence management completely to line managers, while others control it entirely from the Human Resources department. All departments provide some training to line managers, but only nine bodies told us that performance objectives refer to absence. DFP told us that HRConnect, the new centrally-provided HR system, will have a major impact on the role of the line manager.

9. It is important to encourage a "culture of attendance" in NICS. Higher levels of absence are associated with environmental factors such as organisational change, role uncertainty and high work demands. There are indications that many of these factors are present in NICS and that they are not being adequately addressed. Only six bodies indicated that any form of job design technique had been considered to improve employees' interest and involvement.

10. Departments have some measures in place to support attendance, including: health promotion activities; flexible working patterns; and an Employee Assistance Programme. Provision of welfare services was criticised in a review in 2004 and DFP told us that it intends to centralise the service by autumn 2008.

11. Short–term absence has reduced in recent years and some good practice procedures are in place.

12. "Psychiatric/psychological" illness is the main reason for absence and more than half the bodies surveyed told us that stress-related absence was one of their top three problems. NICS indicated support in principle for the Health and Safety Executive's stress management standards in 2005 but no action was taken to implement them until DFP commissioned a pilot stress audit in late 2007. Departmental approaches have been limited to health promotion activities and the Employee Assistance Programme and stress awareness training has been provided to only a small percentage of the workforce. DFP stated that, while not underestimating the importance of reducing the potential for work-related stress, around 80 per cent of psychiatric/psychological illness is attributable to other causes. We noted that the 2005 Workforce Health Survey found that one in five staff find their job stressful and "stress, anxiety and depression" was the most frequently reported work-related illness.

13. Earlier intervention could limit the duration of absence. The average time taken to make an occupational health referral in NICS is 38 days with a further 15 days for an assessment to take place. The average long-term absence, therefore, would last for over two months, before any definitive action

was taken. DFP told us that there is no requirement for a referral at the 20 day trigger which simply prompts consideration and that referrals can be made at any time including "day 1" referrals.

14. There have been some initiatives to address long-term absence. DFP and the Department for Employment and Learning set up a steering group in January 2005 to develop best practice in the management of long-term absence. The group reported in May 2006 making some 20 recommendations and producing a best practice guide for using the Occupational Health Service. DFP told us that the guide was issued in September 2006 and has helped to inform HRConnect processes. The NICS Taskforce was set up in November 2006 to achieve a better understanding of the causes of long-term absence and work-related stress and to identify actions to successfully address them. DFP told us, in December 2007, that a Taskforce report had been drafted and was subject to consultation with departments.

Part One:
Introduction

Part One: Introduction

1.1 The health and well-being of the Northern Ireland Civil Service (NICS) workforce is crucial to the effective delivery of our public services. Staff sickness absence considerably reduces the productivity of Government departments, it affects service delivery and carries a significant financial cost. It is important, therefore, that all Government bodies protect the health of their workforce and manage sickness absence effectively.

1.2 Some degree of absence is inevitable and it is accepted that when employees are sick they should not come to work. It is not the function of absence management to attack genuine absence but, rather, to minimise it by ensuring that any causes of work-related ill-health are addressed and help staff back to work as soon as they are able. When

people are not sick, however, they have a duty under their terms and conditions of employment to be at work and management must also address illegitimate absence of this kind.[1] The Department of Finance and Personnel (DFP) considers that absence management should support those who are sick through a range of appropriate interventions and deal robustly with staff where the level of sickness absence becomes unacceptable.

Levels of absence in the public sector tend to be higher than the private sector

1.3 Surveys[2] of absence in the UK indicate that absence is higher in the public sector, with statistics typically indicating an average of 9 days per employee compared with 6 days

Figure 1: Public and private sector absence levels
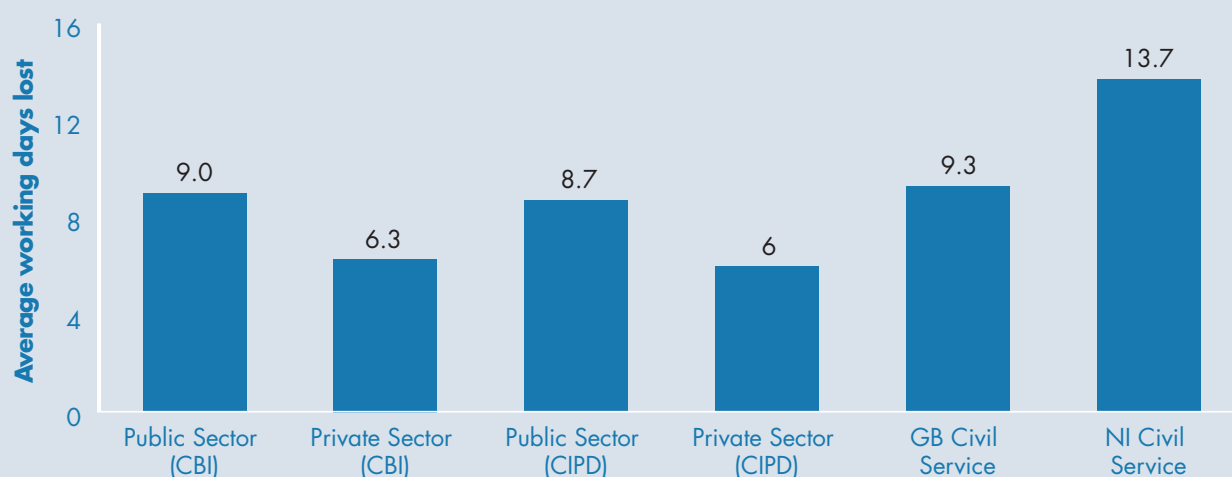
Source: NIAO, based on Confederation of British Industry (CBI) and Chartered Institute of Personnel and Development (CIPD) surveys (2007), GB Civil Service and NICS absence data (2006-07)

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1 *Current Thinking on Managing Attendance – a short guide for HR professionals,* NAO, December 2004
2 *Attending to absence: absence and labour turnover survey 2007,* CBI, May 2007 and *Absence management: annual survey report 2007,* CIPD, July 2007

in the private sector. In Northern Ireland, the public sector has traditionally shown a higher level than GB and NICS reported an average level of 13.7 days per employee in 2006-07 (see Figure 1).

1.4 DFP commented that because of the very different approach adopted by the Confederation of British Industry (CBI) and the Chartered Institute of Personnel and Development (CIPD) in collating and analysing their data, which generally rely on voluntary returns to their questionnaires, it considers it difficult to draw statistically valid comparisons between NICS and the CBI or CIPD reports.

Responsibility for absence management rests at both corporate and departmental levels in NICS

Department of Finance and Personnel

1.5 The Department of Finance and Personnel, through its Central Personnel Group, has overall responsibility for human resource strategies and policies across NICS, including those relating to absence management. It works closely with other departments to ensure that policies relating to the employment and management of staff meet business needs, reflect best practice and comply with the law. Terms and conditions of employment are set out in the NICS Staff Handbook and associated Civil Service Circulars.

Personnel Directors Group

1.6 While DFP, through its Central Personnel Group, has overall responsibility for policy, departments have a significant input to its formulation through the Personnel Directors Group (PDG) and the Establishment Officers' meeting (EOM). The PDG, which is chaired by the Director of the Central Personnel Group, meets bimonthly and comprises representatives at Grade 5 level from all departments. The EOM meets monthly.

Departments and Agencies

1.7 While departments and agencies must adhere to the terms and conditions of employment in the NICS Staff Handbook, they have considerable flexibility in terms of how these procedures are applied in the context of managing sickness absence and promoting the health of their staff.

1.8 Much of the work of departments is delivered through their executive agencies, of which there were 16 at the time of audit, in addition to the 11 core Government departments. The level of delegated responsibility for managing absence across the different bodies varies greatly. Some agencies carry out the full range of managing attendance duties for their staff, others rely fully on their core department while some rely on a combination of both. There are also some departments which still rely on their pre-devolution personnel units, now comprised in other departments.

Occupational Health Service

1.9 The Occupational Health Service (OHS) provides occupational health and medical advisory services to all NI Government departments and agencies. Until April 2008 it was a branch within the Department of Health, Social Services and Public Safety and is now part of DFP's Central Personnel Group. It has a key role in supporting the management of sickness absence by advising on:

- the reason for absence and its likely duration;

- what steps could be taken to facilitate a return to work;

- whether re-adjustment of duties or redeployment should be considered;

- whether the cause of absence is work-related;

- whether further review will be necessary; and

- whether ill-health retirement should apply.

Best practice has been established by a series of initiatives in GB

1.10 The level of civil service absence in GB has attracted the attention of Government in recent years which has resulted in a series of initiatives to reduce it and which have helped to establish best practice in absence management.

1.11 *Working Well Together* - the Cabinet Office published this report in June 1998, which drew on examples from both public and private sectors to establish best practice procedures for absence management. It also recommended that the public sector should aim to reduce absence rates by 30 per cent over a five-year period (see Appendix 1). Absence rates in GB have remained at around 10 days per employee and this 30 per cent reduction has not been achieved.

1.12 *Ministerial Task Force* – in 2004, the Government identified the reduction of sickness absence as a key element of its Efficiency Programme and the Secretary of State for Work and Pensions set up a Task Force to review the public sector's performance. The Task Force report[3] concluded that the earlier "Working Well Together" initiative had not achieved its aims because of a lack of top management focus and because line managers were not given the required support. The report recommended three key changes:

- secure sustained commitment from managers at the top level;

- deliver the right data and systems to support better attendance management; and

- provide leadership, support and training for line managers.

A detailed Delivery Plan was produced in February 2005. The Task Force also produced guidance booklets for Boards, Chief Executives and senior HR staff in September 2006.

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3 *Managing Sickness Absence in the Public Sector,* a joint review by the Ministerial Task Force for Health, Safety and Productivity and the Cabinet Office, November 2004.

1.13 *National Audit Office* – the NAO has published a number of reports on the management of sickness absence in GB departments and has established a range of good practice based on this work (see Appendix 2). It has also published a research paper[4], jointly with the Institute for Employment Studies and the Institute of Work Psychology, which is aimed at HR professionals and which details current research-based thinking on what works in managing attendance.

NICS has undertaken several initiatives to reduce absence

NICS Target

1.14 In October 2004, the 'Fit for Purpose' document[5] set out how the Government's efficiency and reform agenda would be taken forward in Northern Ireland. It acknowledged that the level of sickness absence in NICS was unacceptable and made a commitment to progressively reduce it. A target was set to reduce absence levels to an average of 9.5 working days per employee by 2010 and was approved by the Minister in April 2005. This represented a 39 per cent reduction compared to the base year of 2003-04.

NICS Delivery Plan

1.15 Following the publication of the GB Task Force report in November 2004, the DFP Minister stated that he was keen to mirror the recommendations in Northern Ireland. DFP prepared a NICS 'Delivery Plan' in June 2005 (see Appendix 3), which focused on

the implementation of existing policies and emphasised 10 key action points:

- ensure top management commitment;

- clarify roles and responsibilities;

- focus on relevant training and awareness;

- build sickness absence into performance management arrangements;

- ensure consistency and robust application of policy and procedures;

- improve case management;

- consider the environmental aspects of workplace health;

- focus on work life balance and other health improvement programmes;

- ensure that appropriate audit arrangements are in place; and

- ensure that policy evaluation takes place.

1.16 The Personnel Directors Group were *"supportive"* of the Delivery Plan when it was presented to them in June 2005 and DFP monitored progress within departments over the next year, indicating in December 2005 that there was *"a large degree of corporacy and consistency in the implementation of the plan"*. In June 2006, progress was reported to the Permanent Secretaries Group (PSG) and DFP concluded that, whilst sickness absence remained high, *"the framework within which departments*

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4 *Current Thinking on Managing Attendance – a short guide for HR professionals,* NAO, December 2004
5 *Fit for Purpose – The reform agenda in the Northern Ireland Civil Service,* October 2004

are tackling the problem is considered to be best practice". It was intended at this point that the Delivery Plan would be revised and updated as necessary and that a further report would be made to PSG in September 2006.

1.17 A workshop involving senior officials was held in September 2006 which reinforced the need to focus on long-term absence and PSG subsequently agreed that:

- departments would focus on early intervention to prevent long-term absence, with particular attention given to stress cases and those involving psychiatric/psychological disorders; and

- Central Personnel Group would issue, as a matter of urgency, revised guidance for early intervention; and develop standard monitoring arrangements to be adopted NICS-wide.

No further action was taken on the Delivery Plan.

NICS Taskforce

1.18 As a direct result of the workshop, an NICS Taskforce, chaired by DFP, was set up in November 2006, with a remit to:

- achieve a better understanding of the underlying causes of long-term sickness absence and work-related stress; and

- identify actions to successfully address the causes.

Since its formation, the Taskforce has examined a variety of issues but has not yet reported (see paragraph 6.30).

Executive Review

1.19 In July 2007, the DFP Minister drew the Executive's attention to the problem of sickness absence in NICS, stating that the *"matter requires urgent and robust action to ensure that the current upward trend in sickness absence is effectively reversed".* He specified a number of areas for immediate action, some of which referred back to the NICS Delivery Plan, such as senior management involvement and the audit of compliance with procedures, and some new initiatives arising from the NICS Taskforce, such as the concept of a 'rehabilitation officer' and a review of the arrangements for occupational sick pay for new recruits (see Appendix 4).

We examined the effectiveness of action being taken to reduce sickness absence

1.20 This report examines the management of sickness absence among the non-industrial staff in NICS and assesses the effectiveness of action being taken to reduce absence levels. Our examination involved:

- an analysis of NICS sickness absence data prepared by the Northern Ireland Statistics and Research Agency and comparison with key data on absence rates in the GB Civil Service;

- a review of best practice and current thinking on absence management;
- a questionnaire survey of all 11

departments and 16 executive agencies, issued in July 2006, to gather basic information on management processes and assess the extent of compliance with best practice;

- a review of policy papers held by DFP; and

- interviews with key staff in DFP and a number of departmental personnel units.

Part Two:
Analysis of absence levels in NICS

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Analysis of absence levels in NICS

Sickness absence is costing NICS upwards of £25 million a year

2.1 NICS is one of the largest employers in Northern Ireland with around 28,000[6] non-industrial staff. In 2006-07, some 323,000 days were lost due to sickness absence, representing an average of 13.7 days absence for every full-time member of staff. This is the equivalent of six per cent of staff being absent on any given day or the loss of nearly 1,500 full-time staff for the entire year. The cost, of direct salary costs alone, is estimated at £25.6 million. However, this does not take account of additional costs such as overtime, replacement staff, the cost of managing absence and lost productivity. The Cabinet Office[7] has estimated that the true cost of absence is likely to be closer to twice the level of salary costs alone.

2.2 Absence rates across the eleven departments vary considerably from the average, ranging from DSD with a rate of almost 19 working days to DRD with just over 9 days (see Figure 2). DSD comprises nearly one third of the total workforce, with around 9,000 staff in post, and this, combined with its high level of absence, means that it is responsible for over 40 per cent of all working days lost. Indeed, four departments, DSD, DFP, DOE and DARD, account for three quarters of the total absence (see Figure 3). Substantial reductions in the rates of absence in these departments are needed to achieve an impact on overall NICS absence levels.

Figure 2: Absence levels in NI departments

Bar chart showing average working days lost by department:
- DSD: 18.7
- DEL: 14.5
- DFP: 12.4
- DE: 12.2
- DOE: 11.5
- DHSSPS: 11.4
- DARD: 11.1
- OFMDFM: 10.7
- DCAL: 10.5
- DETI: 10.0
- DRD
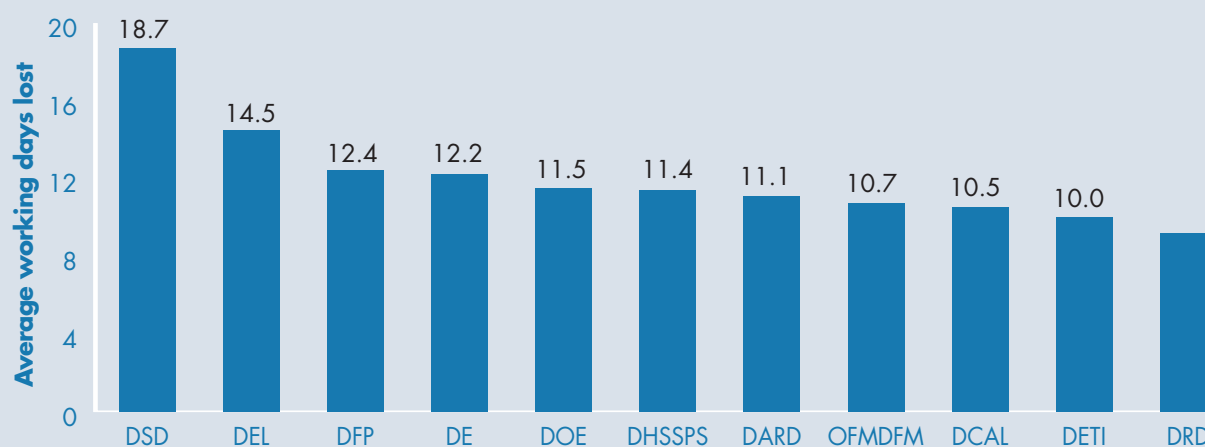
Source: NICS absence data 2006-07

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6   This relates to the number of staff in post on a full or part time basis and is equivalent to some 23,500 full-time staff.
7   Working Well Together: Managing Attendance in the Public Sector, Cabinet Office, June 1998

Figure 3: Four departments account for three quarters of absence (working days lost)

Source: NIAO, based on NICS absence data 2006-07

Other (7 Departments) 84,000
DSD 141,000
DARD 30,000
DOE 31,000
DFP 36,000

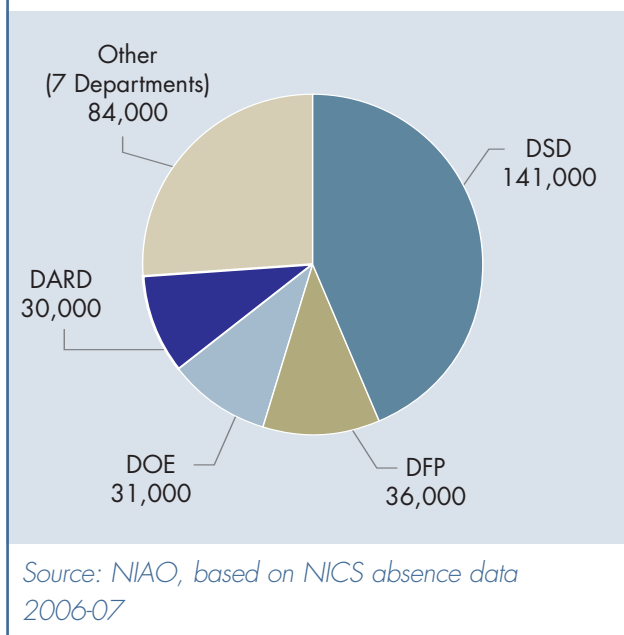2.3 DFP told us that one of the most significant issues impacting DSD figures is the staffing profile of the Department, with high numbers of lower clerical grades and female staff. This is highlighted in NISRA reports which show departmental sickness absence rates standardised against the staffing profile in DFP. This shows what each department's absence rate would be if it had the same age, gender and grade make-up as DFP, therefore taking into account differences in staffing structures.

Absence levels in NICS are high in comparison to GB and reductions achieved in recent years are disappointing

2.4 Statistics produced by the Cabinet Office show that the average level of absence in GB departments in 2006-07 was 9.3 days[8]. Government regards this as too high and several initiatives have been undertaken in GB to reduce it. In NICS, however, the latest projected figures for 2007-08 exceed this level by 36 per cent, with some departments showing the highest levels of absence in the public sector (see Figure 4). We estimate that if NICS could reduce its rate of absence to GB levels this would save up to 86,000 working days. This would be equivalent to nearly 400 additional employees being available for work and would result in an annual cost saving of around £7 million in unproductive payroll costs. Some of this saving would be in the form of efficiency and productivity gains and not all of it would necessarily be cash-releasing.

2.5 The overall absence level in NICS has reduced from a high of 15.5 days per staff year in 2003-04 to 13.7 days in 2006-07. In the first two years, most departments managed to reduce absence levels, however, in 2006-07 all but three departments experienced increases resulting in a rise in the overall rate (see Figure 5). A reduction in the overall rate to 12.7 days is projected for 2007-08, but this would not be sufficient to meet the 2007-08 target of 11.2 days (see paragraphs 3.1 to 3.3). This progress is disappointing.

8 The average of 9.3 days excludes figures for Inland Revenue which were not available for the 2006-07 Cabinet Office report. Inland Revenue, which is responsible for around 20 per cent of all GB Civil Service staff, estimates that its absence levels have reduced from 12.9 days per staff year in 2005-06 to 10.8 days in 2006-07.

Figure 4: Absence levels in NI departments are high in comparison to GB
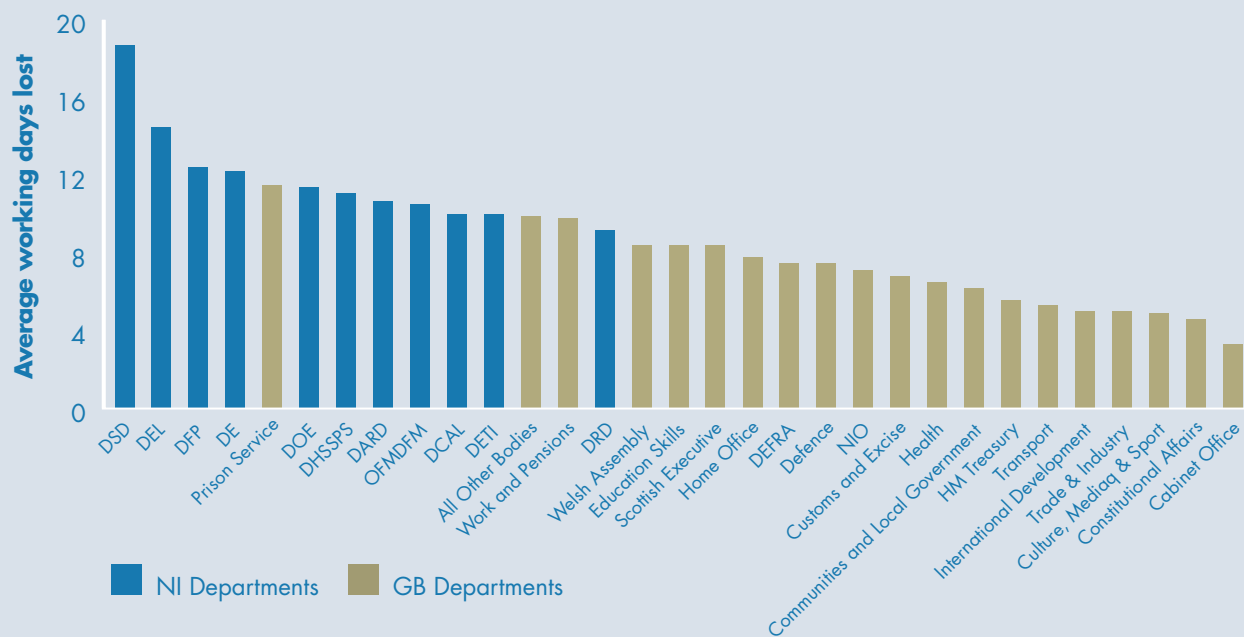
Source: GB Civil Service and NICS absence data 2006-07

Figure 5a: Trend in NICS absence levels (working days lost per staff year)
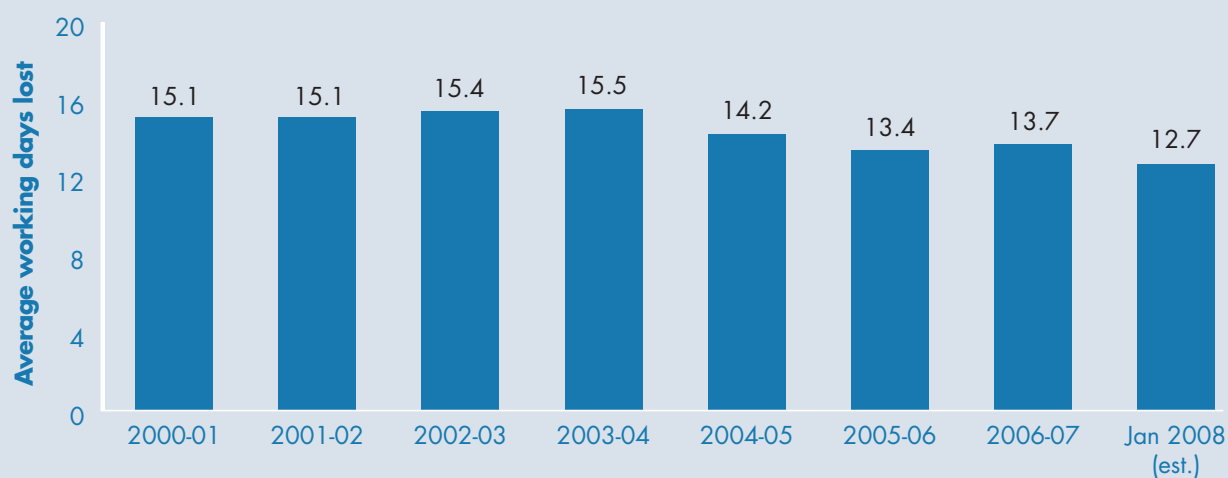
Source: DFP absence data

Figure 5b: Trend in absence levels across departments

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-2008 estimate
DSD	18.6	18.4	19.1	19.7	19.4	18.3	18.7	16.5
DEL	17.9	19.0	18.7	17.8	14.7	14.0	14.5	13.7
DCAL	14.7	14.6	13.8	15.1	11.0	10.3	10.5	12.0
DFP	12.8	13.5	13.6	14.3	13.8	13.0	12.4	11.6
DOE	14.6	14.1	14.5	13.4	12.0	11.1	11.5	10.9
OFMDFM	9.7	11.6	12.2	12.6	8.6	8.6	10.7	n/a
DARD	12.2	11.8	13.4	12.4	11.5	11.1	11.1	10.7
DHSSPS	12.9	14.6	13.2	12.3	9.5	10.7	11.4	10.0
DETI	12.4	13.0	12.7	11.8	9.9	10.7	10.0	7.4
DE	15.7	13.2	12.5	11.7	12.8	12.9	12.2	11.8
DRD	12.2	11.4	10.7	12.0	10.2	8.2	9.2	8.7
Total	**15.1**	**15.1**	**15.4**	**15.5**	**14.2**	**13.4**	**13.7**	**12.7**

Source: NIAO, based on NICS absence data
Note: Black figures denote a decrease compared with the previous year

Long-term absence accounts for nearly 70 per cent of total days lost

2.6 Long-term absence is defined as an absence lasting more than 20 consecutive working days and, in 2006-07, this accounted for nearly 70 per cent of the total working days lost (see Figure 6). Almost twice as many women as men had a long-term absence and nearly half of all working days lost due to long-term absence were in DSD.

2.7 Civil servants in Northern Ireland do not appear to take sickness absence any more frequently than in GB and indeed the average number of spells per staff year has reduced over the last two years in Northern

Ireland, whereas in GB it has remained relatively static. However, when staff do take absence in NICS they tend to be off for much longer than in GB for the same or similar illnesses. On average, absences last more than twice as long, across the whole range of illnesses, both short and long-term (see Figure 7).

Psychiatric/psychological illness is the main cause of absence

2.8 "Psychiatric/psychological" illness is recorded as the main cause of absence in NICS, accounting for 29 per cent of the total working days lost. This has been the pattern over the last six years and applies

Figure 6: Long-term absence accounts for 70 per cent of days lost
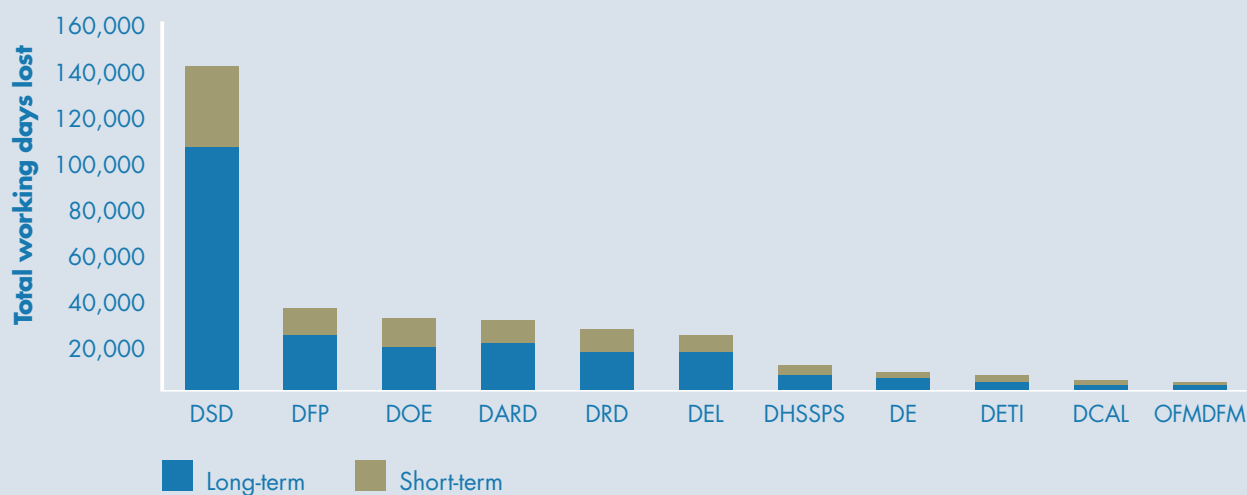
Source: NIAO, based on NICS absence data 2006-07

Figure 7: Average duration of absence

NI Classification of illness	Average duration (days)	
	N I	**GB**
Psychiatric/psychological	37.8	21.8
Pregnancy related / postnatal	22.3	6.9
Blood & cardiovascular	19.0	12.2
Injury / accident / assault	16.8	8.5
Musculoskeletal	15.4	7.4
Non-specific / other	12.9	7.7
Nervous system, eyes and ears	8.1	2.7
Respiratory	6.8	2.7
Digestive / endocrine / renal	5.4	2.4
Overall	**11.8**	**5.3**

Source: Analysis of sickness absence in NI Departments 2006-07 and GB Analysis of sickness absence in the Civil Service 2004

equally to all categories of staff, irrespective of age, grade[9] or gender. DFP records of psychiatric/psychological illness show that nearly 90 per cent of absences are due to "problems related to life-management difficulty", stress, depression and anxiety (see Figure 8).
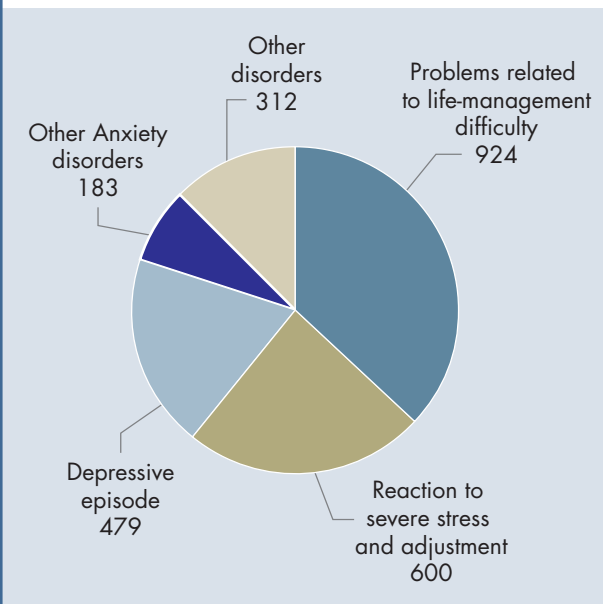
2.9 A similar pattern of absence due to mental ill-health has been observed across the whole of the UK workforce and has been attributed predominantly to stress and stress-related illnesses such as anxiety and depression. The Health and Safety Executive (HSE) has indicated that work-related stress is one of the most common reasons for ill-health in GB, accounting for over a third of all new incidences of ill-health. HSE estimates that 13.8 million working days were lost due to work-related stress, depression and anxiety in 2006-07. Both the GB Task Force and the Chartered Institute of Personnel and Development have identified stress as the leading cause of long-term absence for non-manual employees in the public sector. The Northern Ireland Workplace Health Strategy has identified work-related stress as one of its major challenges and more than half of the NICS organisations which we surveyed told us that stress-related absence was one of the top three problems that they faced (see Appendix 5). In our view, therefore, stress and stress-related illness is likely to be the main component of the psychiatric/psychological illness classification and, possibly, the biggest single cause of absence in NICS.

2.10 DFP told us that whilst it acknowledges that sickness absences categorised as due to a

Figure 8: Reasons for psychiatric/psychological illness in NICS (spells of absence)

Other disorders 312
Other Anxiety disorders 183
Problems related to life-management difficulty 924
Depressive episode 479
Reaction to severe stress and adjustment 600

Source: NIAO based on 2006-07 NICS data supplied by DFP

psychiatric/psychological cause will contain cases of stress (both work-related and non work-related), there will also be cases of anxiety, depression and other mental ill-health which would not come under the heading of stress. The difficulty is in accurately determining the proportionality and it is DFP's view that it may be misleading to attribute all the psychiatric/psychological absence as being due to stress. However, in making this point, DFP does accept that the level of stress reported in other organisations and surveys is likely to be reflected in the NICS sickness absence profile.

2.11 The NICS Taskforce commissioned NISRA to undertake research to provide a better

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9   With the exception of staff at Grade 6.

understanding of the range of conditions included in this classification. We asked DFP what this research had revealed and were told that 22 per cent of psychiatric/ psychological absences were due to work-related causes such as interpersonal conflict or pressure of workload. The reasons for non work-related absences included life crises such as bereavement, postnatal debility and mental illness (see Figure 9).

2.12 We note that 90 per cent of absences under the heading "mental illness" are due to anxiety and depression. Given the links between stress and these mental illnesses, we believe that to classify these cases entirely as non work-related may understate any estimate of the level of work-related stress.

2.13 Psychiatric/psychological and pregnancy-related illnesses are the main reasons for long-term absence accounting for over half of all working days lost (see Figure 10). While statistics indicate that the duration of pregnancy-related illness has reduced somewhat over the last five years, the average duration of psychiatric/ psychological absence has changed little at just under 40 days.

Female sickness absence in NICS is almost double that in GB

2.14 Studies[11] of sickness absence in the UK have observed that grade, gender and age are strongly associated with absence. Absence is higher among junior grades. Women tend to take more absence than men, possibly due to their "implicit societal

Figure 9: Underlying reasons for psychiatric/psychological illness[10]

	Absences	
	No.	%
Work-related causes	75	22
Mental Illness	57	17
Crisis in personal life	72	21
Postnatal debility	71	21
Caring responsibilities	9	3
Other	54	16
Total	**338**	**100**

Source: NISRA. A fuller analysis is at Appendix 6

Figure 10a: Reasons for long-term absence (working days lost)
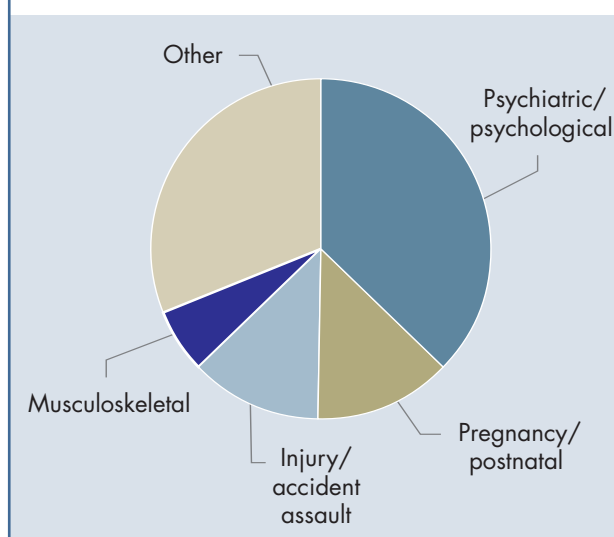
Source: NIAO, based on NICS absence data 2006-07

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10   This is an analysis of 338 staff who were absent for the entire month of June 2007 because of a psychiatric/psychological illness
11   *Managing Sickness Absence in the Public Sector*, Cabinet Office, November 2004.
      Current Thinking on Managing Attendance – a short guide for HR professionals, NAO, December 2004

Figure 10b: Reasons for short-term absence (working days lost)
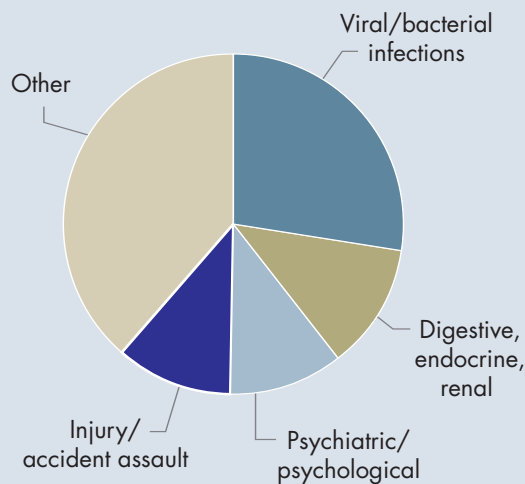
Source:
NIAO, based on NICS absence data 2006-07

role as carers" and possibly also due to their lower average grade. Absence also varies with age, for example older employees tend to have less short-term absence and more lengthy absences. Northern Ireland is no exception to this pattern. However, almost without exception, levels in NICS are higher than GB equivalents (see Figure 11).

2.15 Consideration of these factors is important for departments in understanding the reasons behind their rates of absence and in determining appropriate reduction strategies. It does not, however, explain the overall higher rates of absence in Northern Ireland, nor does it indicate any inevitability of high rates of absence due solely to the makeup of the workforce. This applies particularly in the case of female absence. While women tend to take more absence than men, levels

Figure 11a: Sickness absence rates are higher for women than for men
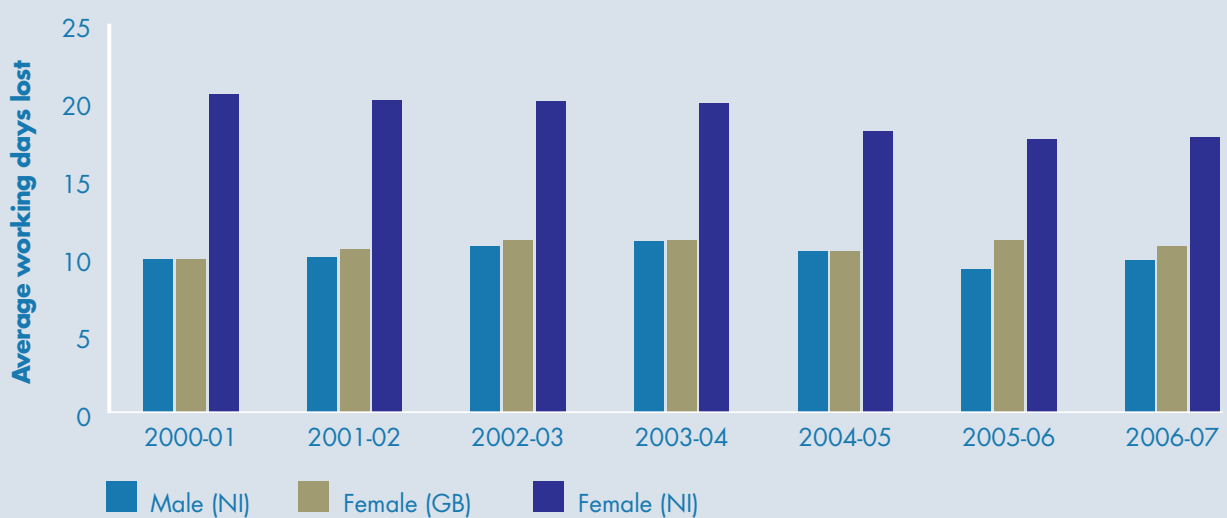
Source: NIAO, based on NICS and Cabinet Office absence data

Figure 11b: Sickness absence is most pronounced in junior grades[12]
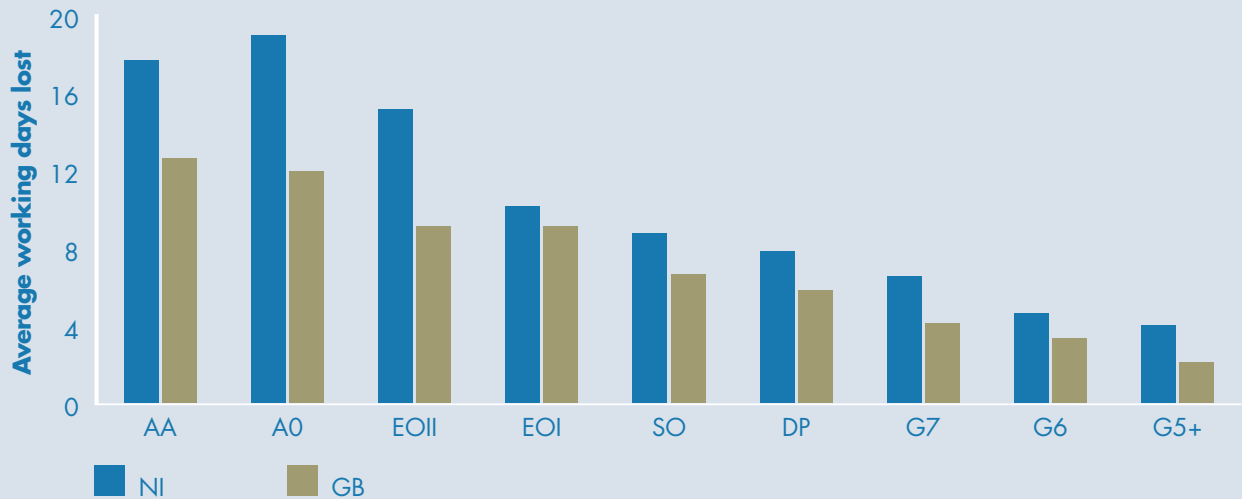
Source: NIAO, based on NICS and Cabinet Office absence data 2006-07

Figure 11c: Sickness absence is highest in staff aged 55 and over[13]
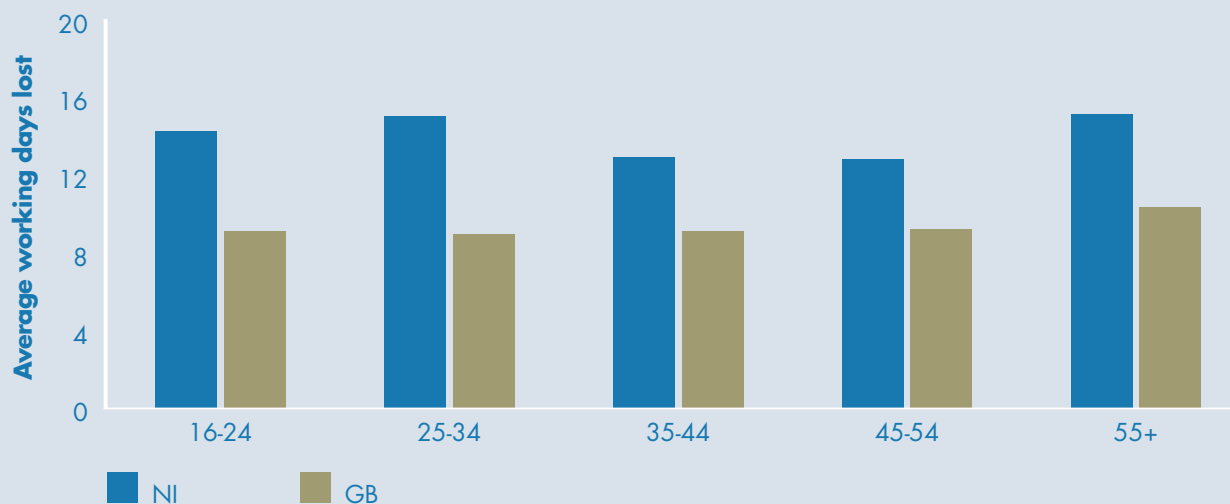
Source: NIAO, based on NICS and Cabinet Office absence data 2006-07

12   The grade structure in GB is slightly different from Northern Ireland and comparisons are made as follows:

NI	AA	AO	EOII	EOI	SO	DP	G7	G6	G5+
GB	AA	AO	EO	EO	HEO	SEO	G7	G6	SCS

13   GB statistics use slightly different age groupings as follows:

NI	16-24	25-34	35-44	45-54	55+
GB	16-25	26-35	36-45	46-55	56-70

in NICS are almost double the female rate in GB, accounting for almost two thirds of the total days lost (see Figure 11a). We estimate that if female absence in NICS was reduced to GB levels this alone would reduce the absence level to 10.2 days and would make a huge contribution to the 2010 target of 9.5 days.

2.16 DFP told us that it accepts that there is a serious problem with the high level of female absence in NICS. Since the inception of monitoring, annual absence reports have highlighted gender differences and compared male and female absence adjusted for pregnancy and postnatal illnesses. Qualitative research has explored the high rate of absence in 'male only' and 'female only' focus groups. Research has also been undertaken into the high level of absenteeism among female part-time staff and the impact of increasing maternity provision on postnatal absences. The gender difference in absence rates is also a key factor in the secondary analysis of the NICS Workplace Health Survey.

2.17 This research has indicated that:

- lower grade female staff are responsible for a disproportionate number of working days lost;

- part time female staff have a particularly high rate of absence, predominantly as a result of "psychiatric/psychological" illness; and

- following the increase in maternity leave in April 2003, the rate of absence, being taken after maternity leave, decreased.

However, we have seen no evidence that the reasons for the very high level of female absence in NICS compared with Great Britain have been investigated.

2.18 DFP told us that in attempting to understand the reasons for the high level of female absence following maternity leave they contacted the Cabinet Office, the Scottish Executive and the Welsh Assembly. However, detailed data were not generally available, though the information obtained clearly suggested that the problem does not exist to the same extent in Great Britain.

2.19 The NICS Taskforce, as part off its remit to investigate long-term absence, has recently examined the level of pregnancy–related and postnatal absence and is considering the benefits of extending the period of maternity leave. The current contractual maternity leave is 18 weeks in NICS and DFP told us that, in GB departments, this ranges from a minimum of 26 weeks to 39 weeks in a few smaller departments. However, we understand that pregnancy related and postnatal absence represents only some 16 per cent of female absence and, even if absence from this source was eliminated altogether, it would not address the large differential between Northern Ireland and GB levels.

Departmental strategies need to address the key elements of the absence problem

2.20 Action taken to date has not delivered reductions in absence levels of the order necessary to meet the 2010 target of 9.5 days. To be more effective, departmental strategies need to target the key problem areas:

- absence in the bigger departments. This is essential if significant and consistent reductions in the overall level of absence are to be achieved;

- the length of time staff are off work. It is inevitable that staff will become sick. What departments need to do is to get them back to work sooner and this applies to both long and short-term absence;

- long-term absence. More needs to be done to address the causes and improve the management of long-term absence;

- the high level of female absence. We note that some research has been carried out into the high level of female absence. However, we recommend that DFP commissions further research, possibly under the auspices of the NICS Taskforce, to identify the causes for the extraordinarily high level of absence amongst female civil servants, with a view to setting out a strategy to reduce it to acceptable levels as a matter of urgency; and

- the high level of absence due to stress. More needs to be done to address the causes and improve the management of stress-related absence.

Part Three:
Absence reduction strategies

Part Three:
Absence reduction strategies

NICS has set an overall absence reduction target to be achieved by 2010

3.1 Following the commitment given in "Fit for Purpose", DFP, in consultation with all other departments, set an overall NICS target of 9.5 days to be achieved by 2010. The target was given Ministerial approval in April 2005. DFP told us that this was set as a stretching target, as it was considered that NICS needed to have a target in line with the GB outturn figures. The 9.5 target was to be achieved by the following sub-targets:

- 7 per cent reduction in the frequency of long-term absence;

- 7 per cent reduction in the duration of long-term absence; and

- 5 per cent reduction in the frequency of short-term absence.

3.2 Once departments have reached a level of 8.5 days they are to maintain that level rather than reduce it further. DFP explained that the 8.5 figure was purely for statistical purposes and departments will continue to strive to meet and, if possible, exceed their respective targets. On this basis, all but the three departments with the highest levels of absence should have achieved a level of 8.5 days by 2010 (see Figure 12). The

Figure 12: Absence reduction targets (working days lost per staff year)

	Actuals		Targets				
	2003-04 (Baseline)	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
DSD	19.7	19.4	17.5	15.6	14.0	12.5	11.2
DEL	17.8	14.7	15.9	14.2	12.8	11.5	10.4
DCAL	15.1	11.0	13.7	12.5	11.4	10.4	9.6
DFP	14.3	13.8	12.8	11.5	10.3	9.3	8.5
DOE	13.4	12.0	12.1	11.0	10.0	9.1	8.5
OFMDFM	12.6	8.6	11.3	10.2	9.2	8.5	8.5
DARD	12.4	11.5	11.1	10.0	9.0	8.5	8.5
DHSSPS	12.3	9.5	11.0	9.9	9.0	8.5	8.5
DETI	11.8	9.9	10.7	9.7	8.8	8.5	8.5
DE	11.7	12.8	10.5	9.5	8.5	8.5	8.5
DRD	12.0	10.2	10.8	9.7	8.8	8.5	8.5
NICS Total	**15.5**	**14.2**	**13.8**	**12.4**	**11.2**	**10.2**	**9.5**

Source: Department of Finance and Personnel

difference between the 2003-04 baseline and the 9.5 target amounts to an additional 144,000 working days, equivalent to around £10 million or an additional 640 full-time staff[14].

3.3 In 2005-06, the first year covered, eight departments achieved their targets and the overall target was exceeded. In 2006-07, however, only two departments met their targets and the overall level of absence increased (see Figure 13). DFP acknowledged that this performance was disappointing in light of the reductions achieved in the previous two years and that it highlighted the need for the robust application of the policies and procedures in place.

Annual targets do not take account of differing patterns of absence within departments

3.4 Research[15] indicates that the causes of absence are complex and likely to vary from one organisation to another. Management approaches to absence reduction, therefore, are more likely to be effective if they are based on an analysis of the problems underlying the headline figures for different parts of the organisation and different employee groups. Current annual targets for each department were set centrally by DFP in 2005 based on a standard seven per cent reduction in long-term absence and a five per cent reduction in short-term absence as outlined above. Only two departments have set targets at sub-organisational levels such as agencies or business units, to reflect different patterns of absence or different contributions to the overall target. This again

Figure 13: Progress against absence reduction targets (working days lost per staff year)

	2005-06		2006-07	
	Target	Actual	Target	Actual
DSD	17.5	18.3	15.6	18.7
DEL	15.9	14.0	14.2	14.5
DCAL	13.7	10.3	12.5	10.5
DFP	12.8	13.0	11.5	12.4
DOE	12.1	11.1	11.0	11.5
OFMDFM	11.3	8.6	10.2	10.7
DARD	11.1	11.1	10.0	11.1
DHSSPS	11.0	10.7	9.9	11.4
DETI	10.7	10.7	9.7	10.0
DE	10.5	12.9	9.5	12.2
DRD	10.8	8.2	9.7	9.2
NICS Total	**13.8**	**13.4**	**12.4**	**13.7**

Source: Department of Finance and Personnel
Note: Red figures denote targets not met

reflects a broad brush approach which does not take sufficient account of differing patterns of absence within departments and different approaches to absence reduction which this requires.

3.5 DFP told us that this approach to target setting was based on a very comprehensive analysis of absence within each department which indicated a remarkably similar pattern in terms of age, grade, gender and reason for absence. DFP intends these targets to give departments an indication of the trajectory they need to be on to achieve the end target and provide them with a means of tracking progress.

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14 Baseline days (372,817) x targeted reduction (38.7%) = 144,280
   Baseline cost (£26.1m) x targeted reduction (38.7%) = £10.1m
   Working days saved (144,280) / 223 working days in year = 647 staff
15 *Current Thinking on Managing Attendance – a short guide for HR professionals,* NAO, December 2004

Absence reduction strategies concentrate on the implementation of NICS procedures

3.6   In recommending the 9.5 day target to its Minister, DFP indicated that it was satisfied that NICS policies and procedures reflected best practice and that by ensuring that they were effectively implemented, particularly in terms of long-term absence, the 9.5 day target could be achieved.

3.7   In our survey, we asked each department and agency if it had a formal absence reduction strategy; if this was based on an analysis of absence patterns within their organisation; and if the strategy identified key areas for action. Of the 27 bodies surveyed, 18 told us that they had such strategies in place. However, we investigated a sample of 12 of these bodies in more detail and found that their "strategies" consisted primarily of absence management procedures and guidance to managers on their application. Departments do not appear to have formulated their own individual strategies to address the specific absence problems in different parts of their organisations and different employee groups.

3.8   DFP told us that its analysis of absenteeism strongly indicated that the NICS strategy should be to reduce the frequency and duration of long-term absence and that its targets were set on this basis with the approval of departments. DFP also recognises the need for targeted action to address the many different causes of long-term absence frequency and duration and told us that a wide range of actions were being taken across different business areas in NICS according to local need

Further work is needed to develop robust absence reduction strategies

3.9   Challenging targets are an important aspect of absence management and we welcome the setting of the five-year corporate target. We also recognise the value of the five-year departmental targets which give a clear indication of the contribution to the overall target which they are expected to deliver. There are limitations to this "top down" approach, however, with a particular risk that departments will not feel ownership of the targets or that absence problems specific to an individual department will not be addressed. In our view, based on current best practice and guidance from the GB Task Force, the effectiveness of this process could be improved if the annual targets, setting out progress towards the five-year targets, were set by departments themselves, reflecting their analysis of the circumstances within their own organisations. This would have the benefit of encouraging both ownership of the targets and reinforcing accountability for delivery.

3.10   We see considerable merit in the efforts to implement NICS-wide procedures more effectively, but, this has not yielded reductions of the order required to achieve the 9.5 day target. Best practice in this area recognises the importance of procedures, but indicates that effective strategies will also address the causes of absence and promote a culture of attendance. Similarly, while an NICS-wide strategy to reduce the frequency and duration of long-term absence is reasonable given the predominance of long-term absence, without detailed action plans at departmental level setting out how this is

to be addressed it is difficult to see how departments can assure themselves that they will meet their targets.

3.11 We recommend that departments should:

- review their annual targets to ensure that they are realistically achievable and adequately reflect current levels and patterns of absence across the whole department;

- consider setting separate targets for major business areas such as agencies or "hotspots" with high levels of

  absence. Separate targets could also be considered for major causes of absence particularly where the cause is work-related; and

- set out formal strategies giving an analysis of absence within the department, setting out absence reduction targets based on this analysis and detailing actions being taken to deliver the targeted reduction. We also recommend that DFP's Central Personnel Group receives copies of all departmental strategies to inform central monitoring and Ministerial briefing.

3.12 DFP told us that the on-going reform of the HR processes and systems as part of the introduction of HRConnect (the new centrally-provided HR system for NICS) will have a major impact on how NICS delivers HR services in the future and will lead to a greater degree of consistency and application of NICS policies and procedures. DFP further stated that, when

fully operational, it will also provide managers with more immediate management information within their business areas, supporting more timely management action where necessary and appropriate.

Senior management commitment is not evidenced in performance agreements and formal reporting mechanisms

3.13 The GB Task Force recognised that securing lasting improvement and culture change needed a good deal of sustained senior management input and identified the lack of such input as the primary reason for the failure of the previous initiative in 1998. In order to stimulate senior management commitment, the GB Task Force recommended that absence management should be built into senior level performance agreements, efficiency plans and formal reporting arrangements. Specifically, the Task Force recommended that formal targets should be included in:

- the performance partnerships exercise which feeds into annual performance appraisals for Permanent Secretaries;

- Key Performance Targets which provide analogous arrangements for Chief Executives of Agencies; and

- the Efficiency Technical Notes which record estimated efficiency savings under the Gershon Initiative.

It also recommended that sickness absence performance was reported formally to Parliament each year.

3.14 DFP's Delivery Plan, produced in June 2005, also addressed top management commitment. It recommended reporting performance in Annual Reports and that departments should *"consider reporting through Stewardship Statements and Corporate Governance arrangements"*. However, it stopped short of the high level targets advocated in GB.

3.15 Our survey indicated that very few departments and agencies have included absence reduction targets as high level published indicators. No departments have targets in their Public Service Agreements and only three have targets in their second tier, Service Delivery Agreements. These would provide a possible analogy to the performance partnerships in GB. Only 6 out of 16 agencies have set absence reduction as a key performance target to be measured and formally reported in Annual Reports. The agencies which have not set key performance targets include all four DFP agencies. Only three bodies had included absence reduction in their Efficiency Technical Notes as a source of efficiency savings under the Gershon Initiative.

3.16 The Executive review of absence management in July 2007 re-emphasised the importance of senior officials demonstrating ownership of this issue and personal commitment to tackling it through effective reporting at Ministerial and Board level. The Executive recommended that Permanent Secretaries provide quarterly updates to their respective Ministers and that departmental performance should feature prominently in departments' corporate governance arrangements.

3.17 To facilitate these recommendations and fully embed absence reduction within high-level performance management systems, we recommend that in line with the GB arrangements:

- departments include absence reduction targets in their Public Service Agreements;

- agencies set absence reduction as a Key Performance Target; and

- departments include savings achievable through absence reduction in their Efficiency Technical Notes.

3.18 In order to maintain focus at a corporate level and facilitate the DFP Minister's commitment to review the performance of NICS as a whole, we recommend that DFP includes an overall NICS reduction target within its Public Service Agreement and gives a board-level officer responsibility for coordinating the action necessary to achieve the overall reduction across NICS. We note that DFP's annual absence report is made available to the Assembly by way of the 'Papers Presented' list. We recommend that the presentation of this report to the Assembly should be given a higher profile.

Part Four:
Policies and procedures
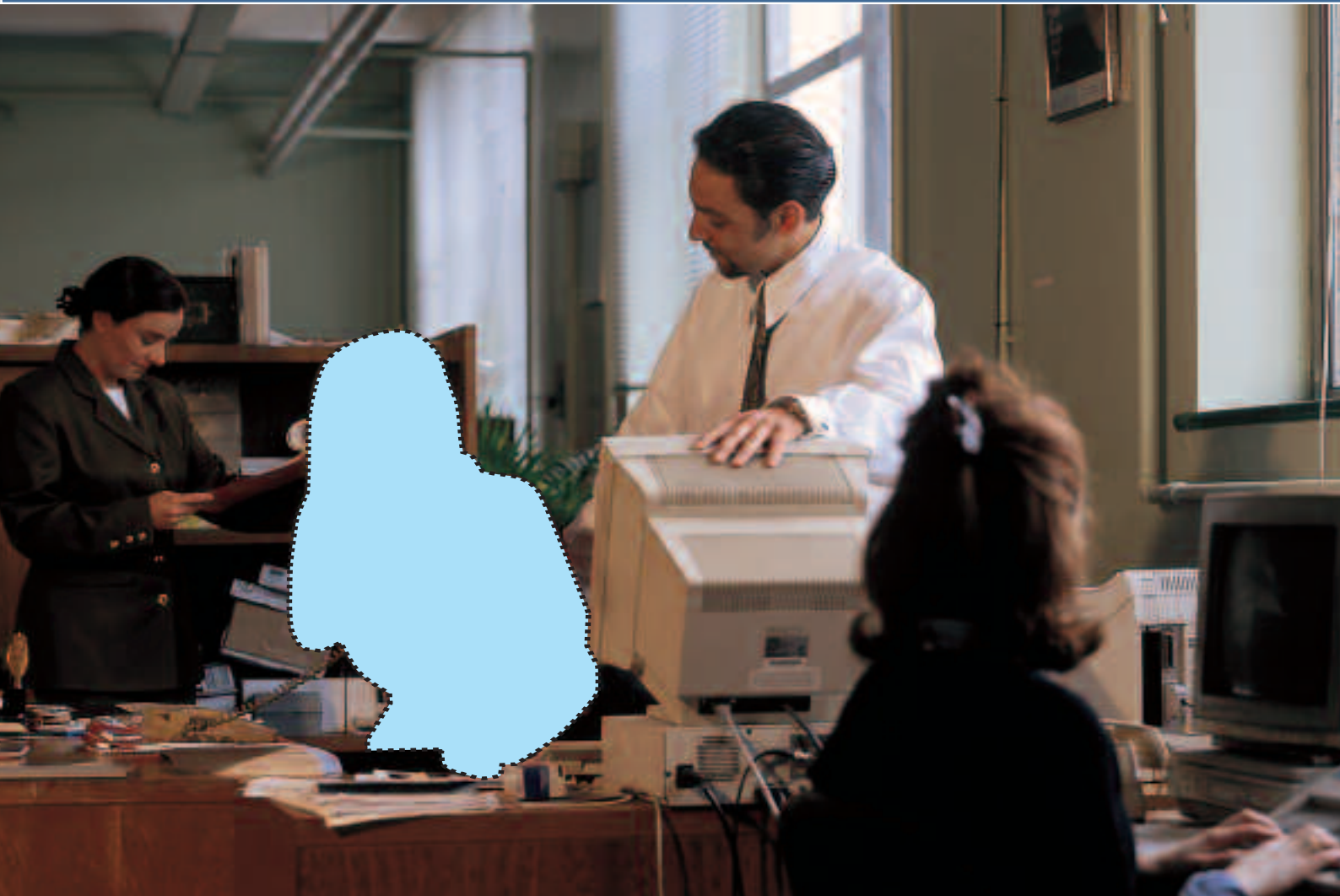
Part Four:
Policies and procedures

Departments have best practice policies and procedures in place but these are not being applied in practice

4.1 The NICS Staff Handbook, which details the terms and conditions of employment of civil servants, sets out the general policy, procedures and standards regarding attendance. It emphasises the importance of departments and agencies having a clear framework for managing sickness absence and sets out standard reporting mechanisms. Specific issues covered by the Handbook include:

- evidence of incapacity – the first seven calendar days in any spell of sickness absence can be certified by the employee (self-certification). Once the absence exceeds seven days, staff must obtain a medical certificate from their doctor. Departments can refuse sick pay if satisfactory evidence is not provided;

- Occupational Health Service – departments should consult OHS when they need medical advice on particular cases. It is a condition of employment that staff cooperate fully with any investigation by OHS, including attendance for medical examinations when this is required. Occupational sick pay ceases to be payable if an officer fails to attend an OHS appointment; and

- sick pay – staff receive full pay for the first six months absence in any period of 12 months and half pay for a further six months, subject to a maximum of 12 months paid sick leave in any period of four years. If staff exhaust their entitlement

to full and half rate sick pay and their department is satisfied that there is a reasonable prospect of recovery and return to work, they may continue to be paid for up to 12 months at a rate equivalent to the pension they would have received, if medically retired.

4.2 Departments and agencies are responsible for implementing their own procedures in line with the NICS policy. Procedures in place are broadly similar with the following main characteristics:

- pre-employment checks of fitness for work – OHS screens new employees for posts with a special medical requirement and all new employees are subject to a probationary period of 12 months;

- reporting of absence – employees are required to inform their workplace by a specified time when they are absent and notify the nature and probable duration of the illness;

- recording and monitoring – absence data is recorded and reported to the various levels of management to facilitate monitoring;

- return-to-work interviews – it is mandatory for employees to have an interview on return from sickness absence; and

- inefficiency procedures – triggers are in place to prompt inefficiency procedures, whether in response to intermittent short-term or long-term absence. Inefficiency procedures involve referral to OHS and progressively serious warnings which can

lead to dismissal on inefficiency grounds or medical retirement.

4.3 Although the results of our survey indicate that procedures comply very closely with best practice (see Appendix 1), there are suggestions from other sources that they are not being applied in practice:

- a study by the University of Ulster, commissioned by DFP in 2006, assessed policies as being of a high standard but concluded that levels of absence clearly indicated that they were not being consistently applied;

- there is considerable anecdotal evidence from HR professionals in NICS that some line managers, particularly in cases of long-term absence, do not apply the procedures as required;

- an NIAO study[16] of sickness absence among industrial staff in DRD found that procedures were not being applied and absence reduced considerably when management effort was increased; and

- the GB Task Force found a similar situation in England, stating that: *"in most cases these policies already exist but we strongly suspect they are widely flouted and there is little auditing of adherence".*

4.4 This belief was implicit in DFP's statement to the Minister in April 2005 that *"absence policies and procedures in place and those planned reflect organisational best practice …we consider that attention should now be on ensuring that the corporate framework is translated consistently and effectively into* *action"*. This became an important strand in the corporate strategy, with the subsequent Delivery Plan including a requirement for departments to formally audit compliance and demonstrate that policies and procedures were being applied effectively.

4.5 DFP, reporting on the progress of the Delivery Plan to PSG in 2006, indicated that departments were mindful of the need to ensure adherence to policies and procedures and that some had used internal audit to support the process. We could find no information, however, as to which departments had carried out audits or what level of compliance was reported. We asked departments and agencies what audit of compliance they were undertaking. Most departments and some two thirds of agencies told us that they were auditing compliance with procedures. Eight departments and six agencies told us that they had set up special teams to undertake this work. When we asked for details of some of these audits, we found that most organisations were carrying out only a limited review of some aspects of the process such as return-to-work interviews or breaches of trigger points. One agency had been carrying out comprehensive "practice reviews" but these had been suspended due to lack of resources and competing priorities. Another department told us that it had responded positively to our survey questions in anticipation of setting up a compliance team, but that resources were not made available to provide more than a very basic review.

4.6 The GB Task Force observed that *"managing sickness absence is not rocket*

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science" and that best practice procedures are well known and are generally speaking in place in the public sector. This would certainly seem to be the case in NICS but there is little point in having good practice procedures if they are not being applied by management. Improvement in the application of procedures is central to the corporate strategy for reducing absence. We are surprised, therefore, that departments have not put more resources into auditing compliance, both to encourage managers to be more scrupulous in their implementation and to identify areas of low compliance where remedial effort could best be targeted.

4.7 We recommend that all departments and agencies make arrangements for a programme of audit to provide coverage of their whole organisation within a three-year cycle. This process could be carried out by specialised teams or by internal audit, suitably resourced. Where absence is managed centrally, it is important that compliance is audited independently of the absence management team. The results of these audits should be reported regularly to Management Boards along with other absence statistics. To facilitate DFP's monitoring role, we recommend that CPG should receive copies of all departmental audit plans and regular updates of progress.

More support and better training is needed to improve the performance of line managers

4.8 Research[17] indicates that absence levels tend to be higher in organisations where line managers, rather than HR professionals or senior managers, have primary responsibility for absence. It also indicates that line managers are not keen to take an active role in absence management because they do not feel competent to deal with it and have other priorities. In an organisation such as NICS, therefore, where line management has, for the most part, primary responsibility, key actions are required to overcome line management's lack of enthusiasm by:

• providing support from HR professionals;

• providing training; and

• making absence management a performance objective.

4.9 DFP told us that research carried out by the Chartered Institute of Personnel and Development, in 2007, revealed that some of the most successful tools in reducing employee absence are early interventions by line managers and good communication. The role of line managers needs to be more clearly defined in terms of managing sickness absence and DFP accepts that any such delegation of responsibility will need to be accompanied by appropriate training. DFP further stated that HRConnect will also have a major impact on the role of the line manager in this area and this will become clearer in the coming months.

4.10 In terms of providing support to line managers, the NICS Delivery Plan (see paragraph 1.15) identified the need to define roles and responsibilities and to develop a partnership approach with HR

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17   *Current Thinking on Managing Attendance,* NAO, December 2004
      Room for Improvement: Absence and Labour Turnover, CBI, 2004
      Absence Management Still a Challenge, IRS Employment Review Vol. 775, 2003

professionals. Departments have adopted differing approaches in this area with some delegating completely to the line manager, others controlling entirely from the HR department and others operating a combination of both. Most of the bodies we surveyed indicated that absence was managed at all levels between the Executive Officer and Deputy Principal grades, although two agencies stated that it was managed almost exclusively at the lowest level.

4.11 We note that DFP has reviewed the processes currently in operation with a view to establishing standard processes under HRConnect. We welcome this review and recommend that the effectiveness of the new systems is kept under review once they are operational to ensure that adequate HR support is provided to line management.

4.12 The GB Task Force recommended formal training for managers and the NICS Delivery Plan included a requirement for departments to ensure that all line managers received a level of training commensurate with their experience, grade and discipline. All bodies surveyed indicated that they were providing training to line managers either as a stand alone issue or as part of a general management course.

4.13 It is important that managers are trained not only in systems and procedures, but also the "softer" skills required to deal with case management, referrals to OHS and return to work interviews. We recommend that, for the purposes of establishing training need, absence management is regarded as a core competence for all

managers in NICS. We further recommend that DFP reviews the content of departmental training provided to date, with a view to establishing its adequacy and to establish a standard training course to be provided to all managers.

4.14 The NICS Delivery Plan required departments to ensure that all line managers have their attendance management responsibilities written into their Performance Agreements. However, only 9 of the 27 bodies surveyed (three departments and six agencies) told us that managers' performance objectives refer to absence.

4.15 If significant and consistent progress is to be made in reducing the level of sickness absence in NICS, it is vital that absence management is confirmed as a key priority for line management. We recommend, therefore, that Performance Agreements of all line managers include an absence reduction objective.

More could be done to encourage a culture of attendance in NICS

4.16 Sickness absence is not just a matter of ill-health. Research[18] indicates that organisations, where employees feel engaged and committed to their work, tend to be associated with low levels of absence and a "culture of attendance". Higher levels of absence are associated with periods of organisational change; uncertainty and ambiguity of employees' roles; high work demands; low task variety; and a lack of job autonomy and control.

4.17 There are indications that many of these factors are present, at least in some parts of NICS. A study of attendance management in NICS, undertaken by the University of Ulster on behalf of DFP, highlighted poor morale, with relatively low pay, poor promotion prospects and a degree of under-employment at lower grades, with graduates taking up these posts in the expectation of promotion which has not materialised. The report also indicated that some staff believe they are entitled to "ten days sick" on top of their other holiday entitlements. Similarly, work carried out by NISRA for one of the NICS bodies with high levels of absence, indicated an "unhealthy climate in the workplace" with continuous organisational change, major problems with computer systems, relentless work pressures, difficult customers, complex and demanding work and a perceived lack of recognition.

4.18 Environmental factors of this kind are not being adequately addressed in NICS. Our survey asked if bodies had used or considered using job design techniques such as job rotation and job enrichment to improve employees' interest and involvement. Of the 27 bodies surveyed, only six had done so and in most cases this was primarily related to career development rather than a more general improvement in the level of job satisfaction or employee commitment.

4.19 It is important to recognise that these factors will greatly influence an organisation's propensity for sickness absence and that they create the context in which all absence management activity takes place. It is also important to recognise that it is part of the role of management at all levels to address them and to improve the extent to which staff feel valued and involved. We recommend that all departments, particularly those with very high levels of absence, investigate the extent to which these factors may be influencing their absence management performance, with a view to drawing up action plans to proactively address them.

Departments have some measures in place to support attendance

4.20 In addition to measures which are intended to reduce absence, most absence policies also include measures to support attendance and NICS has a number of these measures in place.

Health Promotion

4.21 Given the many other influences on employees' health, it is difficult to prove the success of health promotion activities but employers are increasingly focusing on health promotion as a complement to other attendance policies. NICS promotes a healthy lifestyle through the Workplace Health Improvement Programme (WHIP) administered by OHS. This is a long-term approach which assesses the health needs of staff through a Workforce Health Survey undertaken every five years. Some initiatives are taken forward centrally through an action plan drawn up by the Workplace Health Committee, others are addressed by implementation teams in each department and agency. OHS also provides a lifestyle

and physical activity assessment, aimed at staff who do not take regular exercise, and a "Healthwatch" programme which provides advice through workplace visits and exhibitions.

4.22 DFP partly funds the "Healthworks" programme provided by the Civil Service Sports and Social Association which aims to make changes in behaviour to encourage a healthier lifestyle. To date some 2,800 NICS staff have attended, around 10 per cent of the workforce, and we noted that not all departments and agencies had participated equally.

4.23 Given that Healthworks is consistent with the objectives of the WHIP programme, we recommend that DFP assesses the effectiveness of this programme with a view to encouraging greater and more widespread participation. Departments may also wish to consider targeting participation at those who would benefit most from an intervention of this kind.

Flexible Working

4.24 Flexible working patterns allow employees to accommodate home and family responsibilities with the demands of work and research indicates that absence reduces when schemes of this kind are introduced. NICS has operated flexible working arrangements for many years and all of the bodies surveyed provide a wide range of alternative working patterns including: flexitime, job sharing, term-time contracts and part-time working.

Employee Assistance Programme

4.25 Employee assistance programmes, providing independent counselling to employees, have been shown to be cost effective in reducing absence. Historically, some departments had operated their own programmes but, following a review of provision, DFP contracted with a single provider in September 2006 to provide services to the whole of NICS. The programme provides all staff and their immediate family members with an independent and confidential counselling service. A telephone service is provided 24 hours a day, 365 days a year and staff can have up to six face-to-face counselling sessions a year.

Welfare Service

4.26 The provision of an effective welfare service is of great importance in supporting attendance and the service is currently provided separately by each department. In 2004, DFP commissioned a review to identify the need and future requirement for welfare services and recommend options for future delivery. The review, carried out by consultants, criticised existing provision citing a lack of strategic planning; fragmented delivery; variations in practice; lack of accountability; lack of regular management and supervision; high cost; and variations in provision. The review proposed three options, all of which would potentially provide a more cost-effective service than the existing arrangements:

- a centralised service;

- a regional service; or

- an outsourced service.

The preferred option was for a centralised service with links to an employee assistance programme. DFP told us, in December 2007, that it had recently commissioned its Delivery and Innovation Division to advise on the most effective delivery model for a centralised welfare service and that its intention was to centralise Welfare Service in DFP by autumn 2008.

4.27 We see considerable merit in the provision of an effective welfare service, particularly given the high levels of psychiatric/psychological absence in NICS. We are surprised, therefore, that no action has been taken to address the deficiencies identified in the current arrangements. We note the action recently taken by DFP and recommend that the project is progressed as quickly as possible, with a view to deciding on the best way to provide a more effective service.

Part Five:
Management of short-term absence
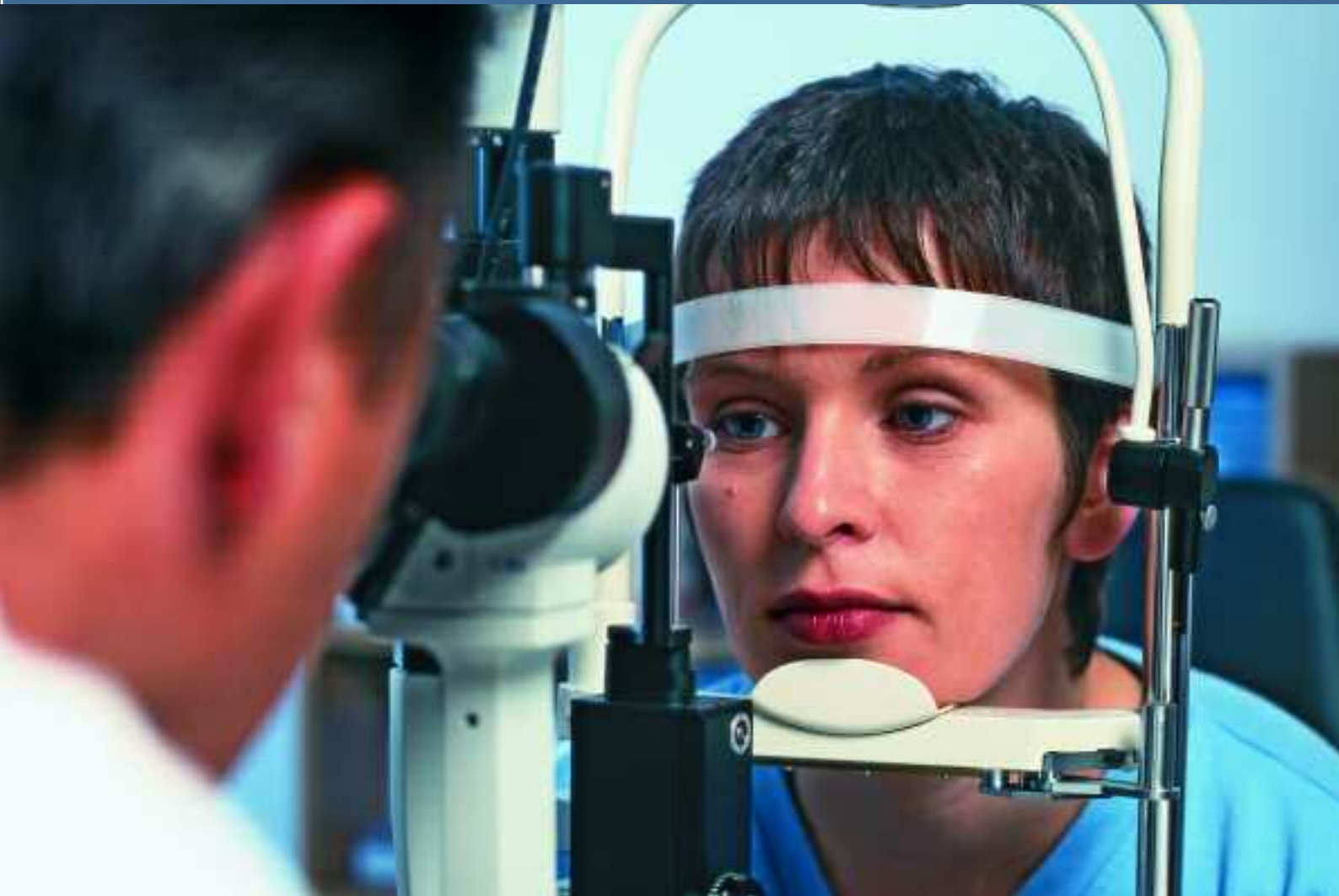
Part Five:
Management of short-term absence

Short-term absence has reduced in recent years but there is scope for further improvement

5.1 In NICS, short-term absence is defined as a spell of less than 20 consecutive working days; long-term is anything in excess of 20 working days. Short-term absence accounts for 30 per cent of working days lost in NICS at a cost of some £8 million a year and reductions in the overall level of absence in 2004-05 and 2005-06 were largely due to reductions in short-term absence.

5.2 Departmental absence reduction targets are based, in part, on achieving an annual reduction of 5 per cent in the **frequency** of short-term absence (see paragraph 3.1). However, the overall target set for 2010 had already been achieved by 2005-06. This would suggest that further improvement is possible and comparison of the rates of short-term absence in each department in 2006-07 indicates a range of performance between 3.5 and 4.7 days (see Figure 14). We estimate that if all departments reduced short-term absence to the levels achieved by the best performing departments, this would result in a saving in the order of £1.3 million a year.

5.3 We recommend that departments set new targets to further reduce short-term absence levels in line with the best performing departments. Rather than revising the current frequency target, we recommend that departments set new targets which address both the frequency and the duration of absences.

Figure 14: Short-term absence (average working days lost per staff year)

	2005-06	2006-07
DSD	4.9	4.7
DEL	4.6	4.4
DCAL	4.8	4.5
DFP	4.2	4.1
DOE	4.5	4.6
OFMDFM	3.6	3.8
DARD	3.4	3.5
DHSSPS	4.1	4.3
DETI	4.1	4.3
DE	3.9	3.6
DRD	3.4	3.5
NICS Total	**4.2**	**4.2**

Source: NIAO, based on NICS data supplied by DFP

Some good practice procedures for the management of short-term absence are in place, but further refinement should be considered

5.4 Successful policies for managing absence normally include[19]:

- early contact with the line manager who is responsible for finding out as much as possible about the nature and likely duration of the absence;

- line managers maintaining regular contact during the absence;

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19 *Current Thinking on Managing Attendance – a short guide for HR professionals,* NAO, December 2004
Employee Absence 2004: A survey of Management Policy and Practice, CIPD, 2004
Absence Management IDS Report 766, Income Data Services, 2004

- return-to-work interviews conducted in all cases to establish underlying reasons for the absence and agree action to be taken;

- use of trigger points to review attendance; and

- in cases of persistent short-term absence, removal of the facility to self-certify the first seven calendar days of absence.

There are also indications that requiring staff to speak to a nurse when phoning in sick can be effective in reducing short-term absence. The principle behind this approach is that those who are not genuinely ill are deterred while those who are ill can be given advice about recovery and return to work.

5.5 All bodies surveyed told us that they had clear procedures in place for reporting and recording absence; that they required return-to-work interviews in all cases; and that they had provided clear guidance on the conduct of such interviews. Most bodies told us that monitoring was undertaken to ensure interviews were carried out and properly recorded.

Self-certification

5.6 In NICS, staff may "self-certify" for the first seven calendar days or less, of any absence, after which a doctor's certificate is required. All bodies told us that they had defined the circumstances under which self-certification could be withdrawn, so that a doctor's certificate would be required for every absence. However, only seven had

actually withdrawn self-certification rights from staff.

5.7 While this sanction needs to be used sparingly to avoid imposing an additional administrative burden on GPs, it may be useful in the management of frequent short-term absence where there is no clear underlying medical condition. We recommend that those bodies which are not currently using this approach should consider doing so. To ensure consistency in its application, bodies may wish to consider setting a formal trigger, such as five absences in 12 months, to prompt a management review which would consider withdrawal. DFP told us that the withdrawal of self-certification is currently under consideration as part of a review of sick absence provisions.

Trigger Points

5.8 The use of trigger points, to alert management to a level and pattern of absence requiring closer examination, has been an accepted feature of absence management since the 'Working Well Together' report in 1998. Since 2004, NICS has used a single trigger, set by DFP, of 10 days or 4 absences in any 12 month period. While this has the benefit of consistency and simplicity, it is somewhat limited in identifying frequent short-term absence. For example, one continuous absence of two weeks (which would require certification by a GP) would trigger a review, whereas three occasions of self-certified absence totalling 9 days would not.

Figure 15: The Bradford Formula

The formula measures an employee's irregularity of attendance taking into account both frequency and duration, to give an overall score for each employee.

The formula is; S x S x D = score

S = the number of spells of absence in the last twelve months
D = the total number of days absence in the last twelve months

Thus, three officers each with 9 days absence could have markedly differing scores depending on the frequency of absence:

- One continuous absence of 9 days   = 1 x 1 x 9   = 9 points
- Three spells of absence totalling 9 days   = 3 x 3 x 9   = 81 points
- Four spells of absence totalling 9 days   = 4 x 4 x 9   = 144 points

Source: NIAO

5.9 Many organisations employ a points system, often referred to as the "Bradford formula", which takes into account both the frequency and duration of absence (see Figure 15). This approach can be used to trigger a review at a predetermined level, or a sliding scale can be used to trigger progressively severe warnings. Some departments used a Bradford approach before the introduction of the single trigger by DFP in 2004.

5.10 We recommend that in addition to the corporate trigger, departments should consider using a Bradford approach to highlight intermittent short-term absences which would not be picked up by the current 10 days or four occasions approach. DFP told us that NICS is currently reviewing its inefficiency policy and will assess the effectiveness of the current corporate trigger. We further recommend that this review considers readopting a Bradford approach.

Absence Reporting

5.11 The use of a nurse to take calls from staff reporting absent was piloted in the Department for Employment and Learning for six months in 2006. DEL indicated that they did not consider that further expenditure was justified because few staff had used the service and absence levels had remained static.

5.12 We do not believe that this approach should be ruled out on the basis of this pilot, for several reasons:

- it was not made mandatory and less than a third of those absent actually reported to the nurse. The deterrent effect of this approach will obviously not be felt unless it is mandatory for all staff. Those who are not genuinely ill will simply report to line management as usual;

- DFP told us that there is evidence to suggest that the scheme was problematic, expensive and failed to deliver the desired outcome; and

- the pilot was undertaken in the context of reducing long-term absence, whereas this approach lends itself to reducing the frequency and duration of short-term absence.

5.13 We recommend that:

- the NICS Taskforce considers how an intervention of this kind could be better tailored to the needs of NICS, with a view to undertaking a further pilot, possibly by extending the role of OHS to deliver the service;

- that compliance is made mandatory for the duration of the pilot;

- that the effect on **short-term** absence is objectively measured to determine if the cost of the service is justified by the impact on absence; and

- a full evaluation report is prepared and considered before deciding whether the approach should be rolled out on a wider basis.

Part Six:
Management of long-term absence

Part Six:
Management of long-term absence

Departments have not achieved significant reductions in long-term absence

6.1 Long-term absence, that is absence lasting more than 20 consecutive working days, accounts for some 70 per cent of working days lost in NICS, at a cost of some £18 million a year. Whereas short-term absence has showed some reduction in the last 2-3 years, progress in reducing long-term absence has been minimal. Absence reduction targets are based on a 7 per cent reduction in both frequency and duration of long-term absence (see paragraph 3.1). Neither of these targets is progressing as planned and more needs to be done, both to reduce the number of absences and to get staff back to work sooner (see Figure 16).

6.2 We noted that while, the average duration of long-term absence is reported here as 60 days, this only takes account of days lost within the financial year. If all working days lost in absences, which span more than one financial year are included, then the actual duration of long-term absence is much higher than this. At September 2007 the average duration was 94 working days.

Departments are not taking a proactive approach to reducing stress-related absence

6.3 The World Health Organisation has stated that psychological problems at work, including the symptoms of stress, will become the most common occupational health problem in industrialised countries. It is expected that the number of people suffering from stress-related illness will increase significantly in the future as the nature of work changes and the stigma associated with such illness diminishes. This is already happening in the UK public sector, with stress recognised as the major cause of long-term absence.

6.4 In NICS, "psychiatric/psychological" illness accounted for nearly 30 per cent of all absences in 2006-07 and 37 per cent of long-term absence. The average duration for

Figure 16: Long-term absence

| | Actuals | | | | Targets | | | |
	03-04	04-05	05-06	06-07	06-07	07-08	08-09	09-10
AWDL (days)	10.0	9.8	9.1	9.5	n/a	n/a	n/a	n/a
Frequency (%)	14.1	13.2	13.0	13.7	12.2	11.3	10.5	9.8
Duration (days)	60.6	64.2	62.0	60.5	52.4	48.7	45.3	42.2

Source: NIAO based on NICS data supplied by DFP
AWDL = average working days lost per staff year
Frequency = average number of absences per employee expressed as a percentage
Duration = average duration of absence in working days

this type of illness is 38 days in NICS as opposed to 22 days in GB. More than half of the organisations we surveyed told us that stress-related absence was one of the top three problems they faced and the 2005 Workforce Health Survey showed that 20 per cent of staff found their jobs to be very or extremely stressful. It is clear that NICS needs to tackle stress-related absence if significant reductions in the overall level of absence are to be achieved.

6.5 Employers have a duty of care[20] for the health and safety of employees, including an obligation to ensure that they do not suffer stress-related illness at work. In 2002, the Cabinet Office issued guidance to GB departments to assist them in devising policies on stress which would fulfil this obligation and minimise lost productivity. Traditionally, organisations have taken remedial action by helping individuals affected by stress, however, the Cabinet Office advocated a more preventive approach, calling for action on three levels:

- *preventive* – identify and address organisational stress factors through risk assessment;

- *education and training* – help staff develop coping strategies and resistance to stress; and

- *remedial* – help affected employees to overcome symptoms of stress.

6.6 The guidance also stated that, while the legal requirement only exists for work-related stress, attributing the causes of stress to work-related or personal factors can be extremely

difficult and good practice indicated that it was more beneficial to assist any employee suffering from stress, irrespective of the source, since the result will be the same in terms of reduced productivity or absence.

Stress Management Standards

6.7 In November 2004, the GB Health and Safety Executive (HSE) formally launched detailed stress management standards which provide guidance to help organisations manage the causes of stress at work and identify areas for improvement. The standards identify six key areas:

- *demands* – issues such as workload, work patterns and environment;

- *control* - how much say the person has in the way they do their work;

- *support* – the encouragement, backing and resources provided to employees by the organisation;

- *relationships* – promoting positive working to avoid conflict and dealing with unacceptable behaviour such as bullying;

- *role* – whether people understand their role within an organisation and whether roles conflict; and

- *change* – how organisational change is managed.

This approach was piloted by the Inland Revenue who reported a reduction of two thirds in the number of working days lost as

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20   Health and Safety at Work (NI) Order 1978
      Management of Health and Safety at Work Regulations (NI) 2000

a result of stress-related absence. Despite recommendations from the Head of the Northern Ireland Civil Service and the Northern Ireland HSE, these standards have not yet been adopted by NICS.

6.8 Adoption was recommended while the standards were still in draft in 2003 and DFP brought proposals to the Personnel Directors Group in November 2003. PDG decided to consider the standards as part of a wider review of stress management and to await the outcome of the HSE's pilots in GB. Following the review, DFP brought a further paper to PDG in February 2004 which highlighted *"a fragmented and inconsistent approach to stress management"* in NICS and indicated that action was required in a number of areas:

- training and development;

- information and support to staff and managers;

- referrals to OHS;

- monitoring and action in relation to stress "hotspots"; and

- organisational assessment, including use of HSE standards and stress audit.

Again, PDG decided to delay action, pending the outcome of the GB pilots. In March 2005, DFP again proposed the adoption of the standards following their formal launch in GB. PDG indicated support in principle but until recently no action had been taken to implement them.

6.9 DFP told us that while the Stress Management Standards have at least technically been adopted, it is accepted that greater use could be made of them. The 2005 Workforce Health Survey included a section on stress with questions based on the standards and, in October 2007, the Central Personnel Group in DFP piloted the use of the standards to assess work-related stress with a view to reducing its own levels of sickness absence. The results of this exercise have indicated several areas for improvement and CPG are currently formulating an action plan. Evaluation of the pilot will be completed by June 2008 and, subject to the outcome, the approach may be applied more widely in NICS.

6.10 DFP further stated that there is a corporate policy on mental wellbeing as detailed in the document entitled 'Mental Well Being at Work', published in April 1999. This comprehensive document was issued to all staff at that time and was accompanied by Civil Service Circular 2/99. The development of HSE standards prompted a review of corporate policy and a revised corporate policy is due to be issued in 2008.

Stress Management in Departments

6.11 This failure to establish a corporate approach is reflected in a lack of proactive management of stress-related absence across all departments. Half of the bodies surveyed, including the four departments with the highest levels of absence, do not refer to stress in their Health and Safety policies. Most of the bodies surveyed told us that they had protocols for dealing with

stress-related absence but in most cases this amounted to the issue of a "stress questionnaire" and a referral to OHS. One organisation told us that if the questionnaire indicated work-related stress, the employee was offered an "Injury Benefit Scheme" application and was interviewed on return to work.

6.12 Initiatives undertaken to reduce stress-related absence referred exclusively to health promotion activities and the Employee Assistance Programme (see paragraph 4.25). Very few of the bodies surveyed had undertaken any detailed stress risk assessment or stress audits to assess how work practice might affect stress levels and absence. The vast majority referred only to general staff surveys and the Workforce Health Survey, which included questions on stress. None of the bodies indicated that any action plans had been drawn up in response to these investigations.

6.13 We asked bodies if they had undertaken any formal stress awareness training for staff. Six bodies indicated that they had not provided any training and of the remainder, the majority indicated that they *"made places available to all staff"* on a "Health Promotion 2006" event. We requested details of the numbers of staff attending stress awareness training. Only nine bodies responded, indicating that around 1,600 staff had been given training out of a total NICS workforce of 28,000.

6.14 DFP told us that while not underestimating the importance of reducing the potential for work-related stress, there is evidence to suggest that around 80 per cent of

psychiatric/psychological illness is attributable to other causes (see paragraphs 2.10 and 2.11). However, we noted that the findings of the 2005 NICS Workforce Health Survey undertaken by OHS and NISRA state that:

- one in five staff find their jobs very or extremely stressful whereas fewer than one in ten find life outside work very or extremely stressful;

- two thirds of staff stated that the main cause of stress in their life was either their job or their job and home equally; and

- "stress, anxiety and depression" was the most frequently reported work-related illness.

6.15 Given the seriousness of the problem with stress-related absence, we find it difficult to understand the reluctance to adopt the HSE standards and the lack of action following their adoption "in principle" in March 2005. This policy vacuum has led to a lack of proactive management at departmental level, where management is limited to processing and recording absence, rather than tackling its causes.

6.16 We welcome the recent CPG initiative to apply the HSE standards and recommend that all departments carry out similar risk assessments and formulate action plans to reduce the sources of work-related stress as a matter of high priority.

Departments are not intervening early enough to limit the duration of absence

6.17 Sources of best practice[21] generally recognise that early referral to an occupational health professional reduces the duration of long-term absence and the GB Task Force reported that occupational health intervention after 10 to 15 days had a dramatic effect by attempting to find solutions while the perception was still of a temporary absence. NICS procedures require consideration of referral to OHS after 20 days absence, however, analysis carried out by the NICS Taskforce in 2007 indicates that the average time taken to make a referral to OHS is 38 days, with one department as high as 54 days. The average time between a referral and an assessment taking place is a further 15 days in Belfast (76 per cent of cases) and 23 days elsewhere. On average, therefore, an employee in Belfast would be off work for 53 days before being seen by OHS, with some taking much longer and a long-term absence would routinely last for over two and a half months before any definitive action was taken.

6.18 DFP emphasised that there is no requirement for an OHS referral at 20 working days. The trigger simply prompts consideration of a referral and in many cases, such action would be entirely inappropriate e.g. broken leg, cancer or heart attack. Referrals can be made at any time including urgent and "day 1" referrals. It is important to make effective and efficient use of resources and to ensure that referrals are managed in a timely and appropriate way.

6.19 It is clear that the time taken by departments to refer staff to OHS is a major factor influencing the much longer duration of absences in Northern Ireland. We recommend that departments, as part of their audits of compliance (see paragraph 4.7), examine the length of time taken to make OHS referrals and take action to ensure that prompt referrals are made in future.

6.20 We further recommend that the NICS Taskforce investigates the potential for reducing the length of time between a referral and an OHS appointment. Given the observations of the GB Task Force, DFP may also wish to consider the possibility of referral to OHS earlier than the current 20 day trigger. Where these issues have implications for the resourcing of OHS, DFP should consider the cost of any additional resources required against the benefits of reductions in absence.

Over 200 staff have been absent for more than six months

6.21 The GB Task Force highlighted a successful approach to the management of long-term absence by the Inland Revenue whereby a specialist team was set up to review all cases over six months. The team applied common procedures to 422 cases and all but 25 were resolved within 18 months, either through return to work, dismissal or retirement. The GB Task Force recommended that these case management arrangements be applied by all public sector organisations and reported one year later that 1,900

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21   *Current Thinking on Managing Attendance,* NAO, December 2004
       Absence Management, Institute of Development Studies, report 766, 2004
       Managing Sickness Absence in the Public Sector, Ministerial Task Force, November 2004
       Managing Attendance in the Department for Work and Pensions, NAO, December 2004

cases had been resolved with approximately 30 per cent returned to work, 50 per cent dismissed and 17 per cent medically retired.

6.22 Most of the bodies we surveyed told us that they had protocols to review cases at three and six months and that they had undertaken a systematic review of long-term absence over the previous twelve months. All told us that they operated a "case management" approach to these cases involving line management, HR professionals and OHS. Despite this, there were some 200 staff who had been absent for over six months, including 73 who had been absent for over a year. DFP told us that, at December 2007, the number of staff absent for over a year had reduced to 33.

6.23 We recommend that DFP considers setting up, in consultation with the departments and OHS, an experienced multi-disciplinary team with responsibility for dealing with all absence cases over six months, with a view to resolving these cases within 12 to 18 months. This approach would have the benefit of a "one–off" reduction in overall absence levels and establishing a common approach to the resolution of very long-term absence cases.

There have been some initiatives to address long-term absence, but little definitive action has been taken

DEL /DFP Pilot

6.24 In January 2005, DFP and DEL set up a steering group to develop best practice in the management of long-term absence. The pilot was to last one year with the following terms of reference:

- allocate dedicated OHS professionals to work specifically with DEL and DFP;

- improve liaison between OHS, GPs, departments and employees;

- gain a fuller knowledge of occupational health and organisational related issues challenging DEL, DFP and OHS;

- test the effectiveness, efficiency and timeliness of procedures and practices relating to long-term sickness absence referrals;

- better management of the long-term sick including a more robust approach to the application of the inefficiency procedures; and

- focus on rehabilitation and other interventions that may assist staff to return to work more quickly.

6.25 The group reported progress in May 2006 making some 20 recommendations and, in September 2006, OHS produced a best practice guide for using OHS services based on the experience of the pilot. DFP

told us that the best practice guide was issued to PDG in September 2006 and has helped to inform the HRConnect processes which seek to ensure a level of consistency across NICS. It also introduced a new sickness absence referral form with standardised questions which in turn is linked to IT developments in OHS that will lead to typed reports for all sickness absence referrals. We could find no response to, or further monitoring of, the other recommendations of the report and it was not clear to us to what extent the actions proposed had been implemented.

Provision of Physiotherapy

6.26 As part of the DEL/DFP pilot, early access to physiotherapy was provided to staff with musculoskeletal disorders such as low back pain, acute sprains and strains, joint problems and acute muscle injuries. OHS negotiated a 12-month contract with a physiotherapy service used by the Police Service and, by January 2007, 83 people had used the scheme at a cost of £11,000. Evaluation of the scheme was by a follow-up questionnaire completed by participants. OHS reported that, of those at work, 80 per cent indicated that physiotherapy had prevented them from going absent and, of those already off sick, over 80 per cent indicated that physiotherapy had shortened their absence. Respondents indicated that the service shortened their absence by an average of six weeks. We have seen no evidence of any formal consideration of this project or of extending provision further.

6.27 Musculoskeletal illness is a significant cause of absence in NICS and was responsible

for around six per cent of absence in 2006-07. The average duration of 15 days per absence would suggest that it relates to both long and short-term absence. The assumption underlying this pilot is that physiotherapy is either not provided or not provided soon enough under the National Health Service in Northern Ireland to minimise the duration of absence. In this scenario, the provision of private physiotherapy services may be justified if the cost of provision is more than offset by savings from reduced absence.

6.28 DFP told us that evaluation of the scheme was not limited to a follow-up questionnaire completed by participants; it also included a pre and post-treatment functional clinical assessment carried out by the treating physiotherapist. This showed that in the majority of cases there had been both a functional and clinical improvement in the individual's condition as a result of the treatment provided. DFP also stated that the NICS Taskforce has been considering the effectiveness of the scheme and considers that the physiotherapy scheme has proved a cost-effective and helpful intervention for staff with early musculoskeletal disorders. The NICS Taskforce will assess the effectiveness of the current pilot before making a decision to extend or otherwise.

6.29 The outcome of this small pilot is not conclusive and the evaluation is too subjective to justify further expenditure. If DFP considers that significant reductions in absence are possible from this approach, we recommend that a formal pilot is carried out which takes into account the referral times for NHS provision across Northern

Ireland and objectively measures the reduction in absence from this source, so that a robust cost benefit analysis can be carried out. This would enable a clear decision to be made as to whether an NICS-wide service would be justified.

Northern Ireland Civil Service Taskforce

6.30 The NICS Taskforce was set up in November 2006 with a remit to achieve a better understanding of the underlying causes of long-term sickness absence and work-related stress and to identify actions to successfully address them. It is chaired by DFP with representatives from DRD, DSD, DEL, OHS and NISRA. Since its formation the Taskforce has met five times and has considered a variety of issues including:

- the underlying causes of long-term absence especially psychiatric/psychological absence;

- the use of rehabilitation officers in the private sector – to get staff back to work as soon as possible;

- pregnancy related absence;

- review of absence management procedures in the Royal Bank of Scotland;

- the possibility of sanctions with first written warnings;

- referral times to OHS; and

- the increase in absence after probationary periods.

The concept of the rehabilitation officer and the issue of post-probationary absence were taken up by the Executive Review in July 2007. To date the Taskforce has produced no formal report or recommendations. DFP told us, in December 2007, that the Taskforce report had been drafted and was subject to consultation with departments.

6.31 We welcome the creation of the NICS Taskforce and look forward to seeing its recommendations for the improved management of long-term absence in due course. It is important, however, that structures are put in place to ensure that the strategies and actions developed by the NICS Taskforce are actually implemented in practice. There is an urgent need for strong leadership and coordination of the absence reduction effort across NICS which is not being provided within existing structures. DFP may wish to review the role of the NICS Taskforce with a view to giving it a more specific remit to deliver tangible reductions in absence levels.

Appendices

Appendix One: (paragraph 1.11)
Cabinet Office: Working Well Together
Recommended Best Practice (June 1998)

Early Contact

- Agree a specific time on the first day's absence by which employees should make contact with their line manager.

- Let them know who they should contact, naming an alternative if their line manager is not available.

- Agree what information should be provided, and how this should be recorded.

Follow Up Contact

- Maintain frequent contact with absent staff and, on each occasion, agree on the date and form of the next contact.

Recording Absence

- Record specific core data in all instances of employee sickness absence, e.g. total working time lost for each spell of absence and the number of separate spells of absence.

Return to Work Interviews

- Conduct return to work interviews after each period of sickness absence.

- Set clear guidance about the setting, conduct and content of such interviews.

- Record the actions agreed.

- Train all staff before back to work interviews begin.

Review/Trigger Points

- Agree review/trigger points to trigger management action, based on an individual's cumulative absence from work.

- Provide clear guidance on the range of management actions available.

- Provide advice and training to line managers on selecting the most appropriate action.

Occupational Health

- Consider introducing progressively earlier or wider referrals to OHS to address cases of work-related injury or sickness.

Working Hours

- Review the scope for offering more flexible working hours.

Health Awareness/Welfare

- Consider adopting or participating in health awareness programmes for staff.

- Encourage staff to make full and effective use of welfare and counselling services in order to minimise sickness absence.

Self-Certification

- Have arrangements to withdraw from individuals, in extreme circumstances, the facility to self-certify absence and provide clear guidance when this is appropriate.

Policy Formation

- Establish absence policies that are able to respond sympathetically to exceptional demands on staff from outside work (family/social).

- Draw up sickness policies that set out the organisation's undertakings in providing for the health of staff.

- Absence policies should apply to staff at all levels within the organisation.

Targets

- Set, at a minimum, a single overall organisational target level for attendance, which is quantified and dated.

- Agree rates of progress towards the target level of sickness absence which are appropriate to each part of the organisation.

Way Forward

- Public sector organisations to use all the best practice principles and techniques identified by the Cabinet Office review, by December 1999.

- The public sector to reduce their average current sickness absence rates by 20% by 2001 and 30% by 2003.

- All public sector organisations to study their true levels of absence over a trial period before the end of 1999, and use these as a benchmark for judging improvements in performance.

Appendix Two: (paragraph 1.13) National Audit Office Good Practice in Managing Attendance (December 2004)

The following list of good practices was originally published as Appendix 2 of NAO's report "Managing Attendance in the Department for Work and Pensions", HC 18, Session 2004-05. It draws on a number of reviews and surveys including those by the Cabinet Office, Confederation of British Industry (published annually), the Institute for Employment Studies, the Work Foundation (published annually) and previous NAO reports on managing sickness absence.

Demonstrate senior management's commitment to improving attendance

- Formulate a clear, written policy for attendance which sets out the organisation's commitment to the health, safety and welfare of its staff (and what support is available to them).

- Develop performance measures and set targets for improving existing attendance.

Establish and disseminate clear procedures on the management of attendance and systems for reporting and reviewing sickness absence

- Clearly define the roles and responsibilities of staff, line managers, local and central personnel managers and occupational health professionals.

- Establish procedures for local recording and reporting of absence that are clear, precise and well publicised.

- Provide appropriate and reliable absence information to management to enable them to review corporate and individual absence rates and to identify patterns.

- Ensure policies are implemented constantly, consistently and fairly at all levels of the organisation.

- Consult with employees and employee representatives on sickness procedures.

Actively manage short and long-term sickness absence

- Define the review points which identify when it is appropriate for further action to be taken.

- Ensure absent staff make early contact with the organisation. Maintain regular contact with them.

- Carry out return-to-work interviews in all cases to establish underlying reasons for absence and to demonstrate concern for the employee's welfare. Set clear guidance on the content and conduct of the interviews and use them to agree on actions to be taken with employees.

- Take sanctions against staff suspected of taking excessive sickness absence.

- Take early and effective action by referring staff on long-term sickness absence, or whose attendance is irregular, to an occupational health advisor.

- Where appropriate, identify the scope for offering recuperative or restricted duties to staff returning from long-term sickness absence.

- Take a case-management approach to long-term absence cases, bringing together individuals who can facilitate their return to work.

Take steps to minimise sickness absence – preventative measures

- Ensure policies are able to respond sympathetically to exceptional demands on staff from outside work (social or family). Recognise that staff may have caring and social responsibilities - for example, for young children or elderly relatives, and find ways to help these staff.

- Remove any incentives for staff not to attend work.

- Motivate employees by ensuring that:

  - They feel they are valued by their employer and manager;
  - They have sufficient work each day; and
  - They believe their absence would have an adverse affect on their colleagues.

- Implement rigorous health and safety policies for assessing risks, recording and reporting injuries, and dealing with accidents at work, and take any necessary preventative measures.

- Promote good health among staff members, for example by offering information about healthy eating and healthy living, lifestyle screening, and welfare and counselling services.

- Consider giving employees greater choice and flexibility in the hours they work.

- Consider job design techniques to improve job interest and involvement, including job rotation, job enlargement and job enrichment.

- Consider the pressures on staff from changes to working practices and find ways to help them deal with those pressures.

- Consider the provision of on-site medical services.

- Consider making earlier or wider referrals to occupational health services.

- Consider attendance management as part of the recruitment process.

Train staff and managers

- Provide training to members of staff to help them understand the purpose of the sickness policy and how it will operate.

- Give managers training and guidance on the content and conduct of return-to-work and disciplinary interviews, review points and options.

Evaluate policies and initiatives

- Measure and assess the level of compliance with policy.

- Consult employees and managers on their opinions of policy, procedures and initiatives.

- Monitor wider impacts on the organisational culture.

- Benchmark internally and externally.

Appendix Three: (paragraph 1.15)
NICS Delivery Plan
Summary of Recommendations (June 2005)

1. Top Management Commitment

- Permanent Secretaries and Agency Chief Executives to continue to receive quarterly reports from Personnel Directors on sickness absence levels within their respective Departments/Agencies, highlighting any particular trends or 'hotspots' requiring attention.

- Managing Attendance to be a standing item on PDG/EOM agenda and Departmental/Agency Board meetings.

- Permanent Secretaries to brief their respective Ministers on performance against targets.

- Central Personnel Group (CPG) to brief DFP Minister on the corporate NICS position.

2. Roles and Responsibilities

- Departments/CPG to clearly define the roles and responsibilities of the line manager in managing sickness absence.

- Departments/line manager to develop a partnership approach between Personnel and the line manager on the management of sickness absence.

- Departments to empower the line manager to deal with day-to-day managing attendance issues, within their level of competence.

- Personnel to be responsible for monitoring sickness absence across the Department/Agency. Personnel will consult with the line manager when a trigger point has been reached with a

view to agreeing the approach to be taken. Where there is a difference of opinion, Personnel will have the authority to make the final decision.

- The line manager, of at least Staff Officer level, to issue the written warning, following consultation with Personnel.

- Personnel to retain responsibility for Occupational Health Service referrals, issuing final written warnings, conducting interviews and for dismissal procedures.

- CPG to ensure the efficiency procedures are revised to reflect the new arrangements.

3. Training and Awareness

- PDG/CPG/Training Managers' Group to ensure that all line managers receive a level of training on managing attendance procedures, commensurate with their experience, grade and discipline.

- Departments/NISRA to raise the awareness of staff to the impact of sickness absence on their business area through team briefings, etc. Sickness absence statistics to be provided on a monthly basis to Grade 7/Head of Branches for monitoring purposes and targeted action as required. In-house journals to be used as a means of raising awareness on absence management and on-going training.

4. Performance Management

- Departments to ensure that all line managers (EO2 and above and analogous grades) have their managing

attendance responsibilities written into their Personal Performance Agreement. This should reflect the different levels of responsibility and involvement depending on grade and discipline.

5.   **Common Practices and Procedures**

- Departments/CPG need to develop a corporate approach to managing attendance policies and procedures and ensure that they are applied consistently and robustly.

6.   **Case Management**

- Departments to focus on the management of long-term sickness cases and apply more robustly the managing attendance procedures, including inefficiency.

- CPG to develop stronger links with the Ministerial Task Force.

- Departments/OHS/Welfare to consider issues such as workplace and job design and where reasonable adjustment may be required to prompt an early return to work.

- Departments to ensure that there are adequate support measures in place for those on long-term sick and to explore appropriate rehabilitation measures.

- Departments to examine all long-term sickness absence cases, e.g. 9 months and determine, in consultation with OHS, the likelihood of an early return to duty.

7.   **Environmental Factors**

- Departments/CPG to implement the HSE Stress Management Standards.

8.   **Work Life Balance**

- Departments to promote and encourage work life balance policies.

- CPG to develop a work life balance intranet site.

- CPG to consider further the IIP work life balance module.

9.   **Audit Arrangements**

- Departments to demonstrate that managing attendance policies and procedures are being applied effectively.

- Departments to include a formal auditing of compliance with managing attendance procedures.

- Departmental performance against targets should be reported in Annual Reports and Accounts. Consider reporting through Stewardship Statements and Corporate Governance arrangements.

10.   **Policy Evaluation**

- CPG to develop, in consultation with Departments, procedures for effective policy evaluation.

Appendix Four: (paragraph 1.19)
Executive Review – Submission by DFP Minister
Summary of Proposed Actions (July 2007)

Immediate Actions Proposed

- Permanent Secretaries to provide quarterly updates to their respective Ministers on performance against targets. DFP Minister to review the performance of NICS on a quarterly basis.

- Departmental performance to feature prominently in departments' corporate governance arrangements. Sickness absence to be a standing agenda item at all Departmental/Agency Board meetings.

- Departments to review all sickness absence cases extending beyond 6 months and to focus on preventing short-term absences from becoming long-term by taking timely and appropriate action.

- Line managers' performance in this area to be measured and assessed through the performance management system and at a more strategic business unit level through compliance audits.

- Publication on a monthly basis of information about warnings, dismissals and medical retirements through the various existing communication channels at both business unit and departmental level.

In addition, DFP has been asked to:

- Assess the implementation of current NICS sickness absence policies and benchmark with other public sector and private organisations to ensure that organisational best practice is applied in NICS.

- Revisit the targets set in 2005 to ensure they remain relevant.

- Engage with all departments to assess whether they consider that current NICS policies are adequately meeting their respective business needs and particular circumstances.

- Develop the 'Rehabilitation Officer' concept as a pilot exercise.

- Review the current Occupational Pay Scheme with a view to introducing accrued entitlement for new recruits.

- Review the role and processes of the Occupational Health Service in supporting management to address sickness absence.

- Ensure that a report is submitted to the Executive on performance in relation to sickness absence targets at least once a year. In light of that performance, an Executive sub-committee may wish to review performance with Permanent Secretaries.

Appendix Five: (paragraph 2.9)
Some Sources on Stress-Related Absence

Some Sources on Stress-Related Absence

Health and Safety Executive

HSE has two main sources of statistics on occupational stress and related disorders in Britain:

Self Reported Work-related Illness (SWI)

This is a large survey of the general population which collects self reported information. It is carried out as part of the Labour Force Survey, which is managed by the Office for National Statistics in GB and by the Central Survey Unit of NISRA in Northern Ireland. HSE considers this to be the best estimate of the overall prevalence of work-related stress in Britain and following the 2006-07 survey, stated that:

"Stress and stress-related conditions formed the second most commonly reported group of work-related ill-health conditions after musculoskeletal disorders. SWI estimated that work-related stress, depression and anxiety affected 530,000 people in Great Britain. This represents an estimated average of 30.2 working days lost per year per affected case and **makes stress, depression or anxiety one of the largest contributors to the overall estimated annual days lost from work-related ill-health."**

The Health and Occupation Reporting Network (THOR)

The network which is run from the University of Manchester provides for specialist physicians to report through HSE's occupational disease surveillance schemes. In terms of mental illness, two of these schemes apply, the Surveillance of Occupational Stress which records diagnoses of work-related mental illness by psychiatrists and

Occupational Physicians Reporting Activity which records diagnoses from occupational physicians.

Diagnoses of new work-related cases of mental illness from these two sources in 2006 indicate that "anxiety/depression" and "other work-related stress" accounts for some 86 per cent of work-related mental health problems.

Great Britain Ministerial Task Force

"Work-related stress is the major cause of sickness absence in the public sector, prevalent across all types of work and occupation and has to be tackled if we are to bring about significant improvements in attendance and productivity."
"One Year On" Report November 2005

Chartered Institute of Personnel and Development

"Stress is rated as the main cause of long-term absence for non-manual employees."

"Stress-related absence is still on the increase."

"Almost three quarters of employers are taking action to improve how they identify and tackle stress at work."
Absence Management Annual Survey Report 2007

"Stress is a state, not an illness… where employees are stressed… there is a higher risk of the employee suffering a psychiatric disorder."
Stress at Work Factsheet September 2007

NHS Confederation Mental Health Network

"The biggest cause of lost hours at work is not 'flu or heart disease, it's anxiety or depression or what most people call stress."

Steve Shrubb, Director

Great Britain Civil Service Absence Report

"The last element to consider is whether mental disorders really are primarily a reflection of stress absence. It is interesting to note that where we have access to the lower level reasons for absence data, depression can in fact be the most common reason actually given in this category. This may be a reflection of the fact that stress is relatively difficult to diagnose and identify of itself, but the outward and secondary symptoms of stress can be seen quite clearly."

2005 Report

Department for Work and Pensions

"The department follows a similar pattern to other employers with stress being one of the biggest causes of work-related illness and stress-related illness being the most common cause of long-term absence."

Health and Safety Executive Report

National Audit Office

"One third of all sick leave in the National Probation Service is attributed to stress."

"These figures are consistent with the average for the whole of the public sector in which one third of days lost were attributed to stress."

National Probation Service Report

"The main causes of illness included psychological conditions such as anxiety, stress or depression."

"Stress and depression were far the most important causes of long-term absence."

Prison Service Report

Northern Ireland Workplace Health strategy

This strategy, set out in March 2003, represented a commitment by government departments, district councils, employers, trade unions, occupational health professionals and other key stakeholders to work in partnership to improve the standard of health in the workplace in Northern Ireland.

"Whilst there is a lack of robust intelligence data on the prevalence of work-related ill-health in Northern Ireland….there is no reason to believe that circumstances in Northern Ireland will differ to any great extent from Great Britain."

"The two greatest health problems attributed to work activity generally are musculoskeletal disorders, such as back pain and work-related stress which can lead to anxiety and other mental health illnesses. In the 1995 Labour Force Survey, these conditions together accounted for more than 70 per cent of all work-related illnesses in Northern Ireland. Any strategy for improving workplace health must therefore give priority to musculoskeletal disorders and stress-related illness."

"Working for Health" March 2003

NICS Employee Assistance Provider

This organisation provides a counselling service to NICS staff and their immediate families (see paragraph 4.25).

"Research provides strong links between stress and physical effects such as heart disease…and psychological effects such as anxiety and depression."

Stress Management Training Material

NICS Workforce Health and Well-Being Survey

This survey was commissioned by the NICS Workplace Health Committee and was administered by OHS and NISRA. The Survey has been carried out twice, in 2000 and again in 2005.

"As a major employer the NICS is concerned at the high levels of Psychiatric/Psychological illnesses and the findings of the survey will provide a valuable baseline on which to inform any future policy decisions on issues such as stress, particularly work-related stress and to target future action."

Central Personnel Group, DFP

"the overall trends in regard to the reporting of health and other health and safety related issues are positive compared to the 2000 survey. Nevertheless there is work to be done in regard to stress and healthy lifestyle behaviours."

Chairman, NICS Workplace Health Committee

"One in five respondents (18.5%) rated their job as "very" or "extremely" stressful."

"One in ten respondents (8.9%) rated their life outside work as "very" or "extremely" stressful."

"Respondents were most likely to suggest that the main cause of stress in their life came from their job (33.9%) or their job and home life equally (32.2%)."

"Stress, anxiety and depression was the most frequently reported [work-related] illness for both male (42.3%) and female (41.3%) respondents."

Survey Report 2005

Appendix Six: (paragraph 2.11)
Analysis of Reasons for Psychiatric/Psychological Illness

This is an analysis of 338 staff from NICS who were absent for the entire month of June 2007 because of a psychiatric/psychological illness.

Reason for illness	Number of Staff	Percentage
Interpersonal conflict	20	
Pressure of work	17	
Adverse management decisions	15	
Work location	7	
Hostility from customers	4	
Redeployment	1	
Other	11	
Work-related total	**75**	22%
Anxiety	27	
Clinical depression for no specified reason	25	
Conditions inc. schizophrenia and bipolar disorder	5	
Mental illness total	**57**	17%
Crisis in personal life	**72**	21%
Postnatal debility	**71**	21%
Caring responsibilities	**9**	3%
Substance abuse	**5**	2%
Financial worries/debt	**1**	-
Other	**48**	14%
Total	**338**	**100%**

Source: NISRA

NIAO Reports 2007-08

Title	HC/NIA No.	Date Published
2007		
Internal Fraud in Ordnance Survey of Northern Ireland	HC 187	15 March 2007
The Upgrade of the Belfast to Bangor Railway Line	HC 343	22 March 2007
Absenteeism in Northern Ireland Councils 2005-06	-	30 March 2007
Outpatients: Missed Appointments and Cancelled Clinics	HC 404	19 April 2007
Good Governance – Effective Relationships between Departments and their Arms Length Bodies	HC 469	4 May 2007
Job Evaluation in the Education and Library Boards	NIA 60	29 June 2007
The Exercise by Local Government Auditors of their Functions	-	29 June 2007
Financial Auditing and Reporting: 2003-04 and 2004-05	NIA 66	6 July 2007
Financial Auditing and Reporting: 2005-06	NIA 65	6 July 2007
Northern Ireland's Road Safety Strategy	NIA 1	4 September 2007
Transfer of Surplus Land in the PFI Education Pathfinder Projects	NIA 21/07-08	11 September 2007
Older People and Domiciliary Care	NIA 45/07-08	31 October 2007
2008		
Social Security Benefit Fraud and Error	NIA 73/07-08	23 January 2008
Absenteeism in Northern Ireland Councils 2006-07		30 January 2008
Electronic Service Delivery within NI Government Departments	NIA 97/07-08	5 March 2008
Northern Ireland Tourist Board – Contract to Manage the Trading Activities of Rural Cottage Holidays Limited	NIA 113/07-08	28 March 2008
Transforming Emergency Care in Northern Ireland	NIA 126/07-08	23 April 2008