



Northern Ireland Audit Office

# Absenteeism in Northern Ireland Councils 2006-07

REPORT BY THE CHIEF LOCAL GOVERNMENT AUDITOR  
30 January 2008







This report has been prepared under Article 26 of the Local Government (Northern Ireland) Order 2005.

John Buchanan  
Chief Local Government Auditor  
January 2008

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Absenteeism in Northern Ireland Councils 2006-07

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# Executive Summary



## **Executive Summary**

### **Scope of the report**

In accordance with Article 26 of the Local Government (Northern Ireland) Order 2005, the Chief Local Government Auditor requested absenteeism data from each of the 26 district councils for the year ending 31 March 2007. This included:

- Numbers of absences;
- Duration of absences;
- Numbers of full time equivalent staff employed;
- Potential working days available;
- Causes of absenteeism;
- Absenteeism policies; and
- Absenteeism targets.

Unless otherwise stated the analysis contained in this report is based on the data provided by the 26 councils.





## Main findings

### Absenteeism within councils

- Magherafelt District Council had the lowest average annual absenteeism rate of 7.41 days for the 2004-07 period. The equivalent absenteeism rates for ten councils were more than double the rate recorded in Magherafelt District Council (paragraph 3).
- The council with the highest average annual absenteeism rate was Larne Borough Council with 20.29 days for the 2004-07 period. Almost one in three days lost was due to stress related absenteeism, the highest proportion recorded by a Northern Ireland council (paragraphs 4 and 9).
- Coleraine Borough Council had the largest increase in average annual absenteeism rate. The rate of 15.32 days recorded for the 2004-07 period is 3.68 days more than the 2001-04 rate of 11.64 days (paragraph 4).
- Of the 12 councils showing an improvement over the two periods, Newry and Mourne District Council and Banbridge District Council improved the most with significant reductions in their absenteeism rates of 4.01 and 3.93 days respectively (paragraph 5).
- Had all councils matched the lowest average annual absenteeism rate of 7.41 days, a total of £6.8 million a year could have been gained in productivity. With its larger staff costs, Belfast City Council has most to gain from a reduction in absenteeism. Were the absenteeism rate in Belfast City Council to reduce to that found in Magherafelt District Council, potential productivity gains would exceed £2.25 million (paragraphs 6 and 7).
- Further commentary on each council's three-year average annual absenteeism is at [Appendix 2](#) (paragraph 10).

- Variations in absenteeism rates between councils, and the proportion of this attributable to stress related absence, appear to have no discernable pattern. One factor which does vary between councils is the management of absenteeism. We recommend that councils with high and rising absenteeism rates should review their own management practices and benchmark these against those councils with low and falling absenteeism rates (paragraphs 12 and 13).

### Absenteeism for the sector as a whole

- For 2006-07, Northern Ireland councils as a whole had an average absenteeism rate of 13.82 days. This rate has increased marginally from 2005-06 but remains lower than the rates recorded for the years 2002-03 to 2004-05 (paragraphs 16 and 17).
- The cost of absenteeism in Northern Ireland councils, when viewed simply as lost productivity, was £15.5 million in 2006-07 (paragraph 19).
- Increased staff costs of £20 million, when combined with the slightly higher level of absenteeism, have increased lost productivity due to absence in Northern Ireland councils by £1.5 million from £14.0 million in 2005-06. This increase in lost productivity represents 4,000 additional days of absence (125,000 in 2005-06, 129,000 in 2006-07) (paragraphs 19 and 21).
- The absenteeism rate for Northern Ireland councils is marginally higher than the Northern Ireland Civil Service rate and marginally lower than the Northern Ireland Health Service rate. All the Northern Ireland public sector absenteeism rates we examined are considerably higher than the UK economy as a whole (paragraphs 22 and 24).
- The 2006-07 absenteeism rate in Northern Ireland councils is more than forty five per cent higher than the rate recorded for local government in England.

## Executive Summary

Had the Northern Ireland rate been similar to that of local government in England, the gain in productivity would have been £4.9 million, or a gain of 185 staff in post throughout the year at no additional cost. Only two Northern Ireland councils have 2006-07 absenteeism rates below the average for local government in England (paragraphs 25 and 27).

- In 2006-07, long term absences cost councils £9.9 million in lost productivity. If councils reduced the proportion of long term absences to the average six per cent rate found in the UK economy, the cost of long term absence could be reduced by £3.2 million. We recommend that when councils benchmark their absenteeism management practices particular attention is paid to the management of long term absence (paragraphs 31 and 32).

### Causes of absence in councils

- For 2006-07, 24 councils provided information on causes of absence. This information represents 89 per cent of all days lost and 90 per cent of absences. Projecting this information to all councils, *stress, depression, mental health* and *fatigue* remains the largest cause of absenteeism, responsible for one fifth of days lost in both 2005-06 and 2006-07. Consequently lost productivity due to stress related absenteeism has increased from £2.8 million in 2005-06 to £3.1 million in 2006-07 (paragraphs 33, 35 and 37). Absences due to this cause of illness last more than five weeks on average (paragraph 43).
- There was little variance in the causes of absence in Northern Ireland councils between 2005-06 and 2006-07. Different causes of absence would not appear to explain the additional £4.9 million absence costs incurred by Northern Ireland councils when compared to local authorities in England. In general, staff appear to be absent for similar reasons. In Northern Ireland councils, however, these same causes of absence lead to longer or more frequent periods of absence and consequently higher absence costs (paragraphs 39 to 41).

### Absenteeism policies in councils

- Most council's absenteeism policies incorporate six standard absence management tools. Councils indicated that they viewed return to work interviews as their most effective absence management tool. Return to work interviews are similarly regarded in the UK economy as a whole (paragraphs 46 and 47).
- Eight councils have implemented a stress or mental health policy. As stress-related absence is the single largest cause of absenteeism in Northern Ireland councils, we particularly welcome the action being taken by some councils to address this. It is our view that all councils should be proactive in their management of stress-related absenteeism (paragraphs 50 and 51). The three councils with the highest proportion of stress related absence (Larne Borough Council, Ballymoney Borough Council and Craigavon Borough Council) have not implemented a stress or mental health policy (paragraph 9).

### Absenteeism targets in councils

- There is currently no requirement for Northern Ireland councils to set long term targets for the reduction of absenteeism. In 2006-07, 19 of the 26 councils had established corporate or departmental level targets for managing absenteeism rates. North Down Borough Council was the only council which met its set target for 2006-07 (paragraphs 53 to 54).
- At paragraph 13, we recommend that councils with higher absenteeism rates should benchmark their management practices against councils with lower absenteeism rates. This should include the establishment and monitoring of targets which, over a defined timeframe, will assist councils to focus on progress towards absenteeism levels which match, or improve upon, the lowest rates currently found in Northern Ireland councils (paragraph 55).



## Absenteeism data in councils

- We asked for completed absenteeism data questionnaires to be returned by 29 June 2007. Fifteen councils had submitted responses on or before this date. By 31 August, some nine weeks later, one council had not submitted a response and another council had not submitted a revised response. This report has been delayed due to the late receipt of responses (paragraphs 56 to 58).
- The effective management of absenteeism in councils requires reliable absence data. Councils should ensure the integrity of the data used to calculate and monitor absenteeism rates, and to set absenteeism targets (paragraph 62).







# Report





### Absenteeism within councils

1. For the purposes of this section of the report, absenteeism data for each council has been analysed over a three-year period and an average annual absenteeism rate<sup>1</sup> derived for the period. This counters the impact of annual fluctuations in absenteeism which could distort our findings, particularly within smaller councils (paragraph 18). The resulting three-year derived rate provides a better illustration of the underlying absenteeism position for each council. All councils should, however, continue to monitor their absenteeism regularly as part of an ongoing process of absenteeism management.
2. **Figure 1** sets out the three-year average annual absenteeism rate for each council for the period April 2004 to March 2007<sup>2</sup>. Absenteeism rates calculated for the previous three-year period, April 2001 to March 2004, allow comparisons between the two periods to be made.
3. With 7.41 days, Magherafelt District Council had the lowest average annual absenteeism rate for the 2004-07 period. The equivalent absenteeism rates for ten councils were more than double the rate recorded in Magherafelt District Council. In the case of two of these councils (Carrickfergus Borough Council and Larne Borough Council) the absenteeism rate recorded was in excess of two and a half times the Magherafelt District Council rate.
4. The council with the highest average annual absenteeism rate was Larne Borough Council with 20.29 days for the 2004-07 period. The council that experienced the largest increase in its absenteeism rate was Coleraine Borough Council. The rate of 15.32 days recorded for the 2004-07 period is 3.68 days more than the 2001-04 rate of 11.64 days. Limavady Borough Council also experienced a significant increase of 3.40 days in its average annual absenteeism rate, moving from 11.52 days in 2001-04 to 14.92 days in 2004-07.
5. Of the 12 councils showing an improvement over the two periods, Newry and Mourne District Council and Banbridge District Council improved the most with significant reductions in their absenteeism rates of 4.01 and 3.93 days respectively. Newry and Mourne District Council's average annual absenteeism rate reduced from 20.94 days in 2001-04 to 16.93 days in 2004-07. Banbridge District Council's rate reduced from 14.37 days in 2001-04 to 10.44 days in 2004-07. Three further councils (Magherafelt District Council, North Down Borough Council and Antrim Borough Council) recorded improvements of more than three days.
6. The average annual staff cost for each council for the 2004-07 period is set out in **Figure 2**. By applying the three-year average absenteeism rates (**Figure 1**) to these figures, average annual lost productivity costs have been derived. Had all councils matched the lowest average annual absenteeism rate of 7.41 days recorded by Magherafelt District Council, a total of £6.8 million a year could have been gained in productivity (**Figure 2** and **Appendix 1**). These costs range from £128,000 in Magherafelt District Council to £4,220,000 in Belfast City Council.
7. Councils with higher rates of absenteeism will secure the greatest proportionate productivity gains by a reduction to the rate recorded for Magherafelt District Council. In the case of Larne Borough Council a reduction in absenteeism rate, from the current rate of 20.29 days to 7.41 days, would lead to potential gains of £237,000, equivalent to 5.8% of staff costs. With its larger staff costs, Belfast City Council has most to gain from a reduction in absenteeism. Were the absenteeism rate in Belfast City Council to reduce to that found in Magherafelt District Council, potential productivity gains would exceed £2.25 million.
8. At paragraph 37 we have noted that *stress, depression, mental health and fatigue* is the largest cause of absenteeism in Northern Ireland councils and is responsible, on average, for one fifth of total days lost. **Figure 3** sets out for each council, where information is available, the proportion of absenteeism caused by stress related absence in the period 2004-07.

<sup>1</sup> The absenteeism rate is the average number of days a full time equivalent employee was absent in a period. The absenteeism rate is measured in working days lost per full time equivalent employee, referred to as 'days' in this report. If an employee who works reduced hours is absent, the absence is calculated on a full time equivalent basis.

<sup>2</sup> Average annual absenteeism rates reported in *Absenteeism in Northern Ireland Councils 2005-06* (April 2003 to March 2006) have not been compared to the rates included in this report, due to the overlapping nature of this period with 2001-04 and 2004-07.



## I Three-year average annual absenteeism rates for each Northern Ireland council

Average annual absenteeism rates for 2004-07 range from 7.41 to 20.29 days. The rates for ten councils are more than double the lowest rate.

	Three-year period 2001-04	Three-year period 2004-07	Movement
Magherafelt District Council	10.93	<b>7.41</b>	-3.52
Fermanagh District Council	10.99	<b>9.18</b>	-1.81
Down District Council	10.78	<b>9.71</b>	-1.07
Armagh City and District Council	9.13	<b>9.73</b>	0.60
Lisburn City Council	12.58	<b>10.00</b>	-2.58
Castlereagh Borough Council	12.83	<b>10.24</b>	-2.59
Banbridge District Council	14.37	<b>10.44</b>	-3.93
Ballymena Borough Council	9.07	<b>11.19</b>	2.12
Strabane District Council	10.00	<b>11.73</b>	1.73
Newtownabbey Borough Council	14.28	<b>12.63</b>	-1.65
North Down Borough Council	16.05	<b>12.65</b>	-3.40
Antrim Borough Council	15.78	<b>12.70</b>	-3.08
Ards Borough Council	13.52	<b>13.08</b>	-0.44
Dungannon and South Tyrone Borough Council	12.41	<b>13.37</b>	0.96
Omagh District Council	14.68	<b>14.16</b>	-0.52
Cookstown District Council	12.65	<b>14.19</b>	1.54
<b>Double the lowest rate (Magherafelt District Council)</b>		<b>14.82</b>	
Limavady Borough Council	11.52	<b>14.92</b>	3.40
Coleraine Borough Council	11.64	<b>15.32</b>	3.68
Moyle District Council	12.77	<b>15.43</b>	2.66
Belfast City Council	15.45	<b>15.95</b>	0.50
Ballymoney Borough Council	13.77	<b>16.59</b>	2.82
Craigavon Borough Council	16.17	<b>16.66</b>	0.49
Newry and Mourne District Council	20.94	<b>16.93</b>	-4.01
Derry City Council	15.95	<b>17.32</b>	1.37
Carrickfergus Borough Council	17.13	<b>19.69</b>	2.56
Larne Borough Council	18.81	<b>20.29</b>	1.48

Source: Northern Ireland councils

9. In Larne Borough Council, 32 per cent of total days lost due to absenteeism, almost one in three, was caused by *stress, depression, mental health and fatigue*. This is over three and a half times the rate of stress related absence recorded in Armagh City and District Council. The three councils with the highest proportion of stress related absence (Larne Borough

Council, Ballymoney Borough Council and Craigavon Borough Council) have not implemented a stress or mental health policy.

10. Further commentary on each council's three-year average annual absenteeism is at [Appendix 2](#).

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**2 Average annual staff costs and associated potential gains in productivity for each Northern Ireland council (2004-07)**

Annual gains of £6.8 million in productivity could be made if all councils matched the lowest absenteeism rate reported by Magherafelt District Council

	<b>Average annual staff costs 2004-07 (£'000)</b>	<b>Average annual lost productivity 2004-07 (£'000)</b>	<b>Average annual potential productivity gains based on an absenteeism rate of 7.41 days (£'000)</b>	<b>Average annual potential productivity gains based on an absenteeism rate of 7.41 days (% of staff costs)</b>
Magherafelt District Council	3,866	128	-	-
Fermanagh District Council	6,304	260	50	0.8
Down District Council	7,136	320	76	1.1
Armagh City and District Council	6,868	291	69	1.0
Lisburn City Council	11,468	515	133	1.2
Castlereagh Borough Council	8,213	366	101	1.2
Banbridge District Council	4,361	206	60	1.4
Ballymena Borough Council	7,164	360	122	1.7
Strabane District Council	4,050	216	80	2.0
Newtownabbey Borough Council	9,128	529	219	2.4
North Down Borough Council	8,566	481	199	2.3
Antrim Borough Council	5,616	317	132	2.4
Ards Borough Council	8,362	500	217	2.6
Dungannon and South Tyrone Borough Council	6,127	369	165	2.7
Omagh District Council	6,902	432	206	3.0
Cookstown District Council	4,178	262	125	3.0
Limavady Borough Council	3,380	222	112	3.3
Coleraine Borough Council	7,480	520	268	3.6
Moyle District Council	2,866	199	103	3.6
Belfast City Council	59,495	4,220	2,259	3.8
Ballymoney Borough Council	2,735	203	112	4.1
Craigavon Borough Council	11,596	885	491	4.2
Newry and Mourne District Council	9,871	744	418	4.2
Derry City Council	14,381	1,087	622	4.3
Carrickfergus Borough Council	4,679	420	262	5.6
Larne Borough Council	4,061	374	237	5.8
<b>Total</b>			<b>6,838</b>	

Source: Chief Local Government Auditor



11. In the short term, it is unlikely that lower absenteeism rates would result in reduced staff costs for councils. However, lower absenteeism rates would give rise to increased productivity due to higher levels of attendance. Hence the comparisons between councils consider the potential for gains in productivity (paragraph 6). In the longer term, councils should have the option of taking the benefits of reduced absenteeism in either increased productivity or reduced staff costs.
12. Variations in absenteeism rates between councils, and the proportion of this attributable to stress related absence, appear to have no discernable pattern. It is unlikely that differences in activity have been a factor. For the most part, councils operate within the same legislative framework, providing essentially the same services. In addition, neither the size of a council, nor its geographical location, appear to significantly influence its absenteeism rate. High and low absenteeism rates are found in both large and small councils, and in both urban and rural councils.
13. One factor which does vary between councils is the management of absenteeism. The report addresses, at a high level, three absenteeism management issues: policies (paragraphs 45 to 52); targets (paragraphs 53 to 55); and data (paragraphs 56 to 63). Our review is not detailed enough to link specific management practices with absenteeism rates or causes of absence but research elsewhere<sup>3</sup> has shown the significant impact that effective management has in reducing absenteeism. We recommend that councils with high and rising absenteeism rates should review their own management practices and benchmark these against those councils with low and falling absenteeism rates. To assist this process we have included examples of best absenteeism management practice currently applied within Northern Ireland councils.

### 3 Proportion of days lost due to stress related absence for each Northern Ireland council (2004-07)

The average proportion of days lost due to absenteeism which have been caused by stress related absences ranges from nine to 32 per cent.

#### Proportion of days lost due to stress related absence (%)

Larne Borough Council	32
Ballymoney Borough Council	28
Craigavon Borough Council	28
Ballymena Borough Council	25
Castlereagh Borough Council	25
Moyle District Council	25
Omagh District Council	25
Banbridge District Council	23
Carrickfergus Borough Council	23
Limavady Borough Council	22
Ards Borough Council**	21
Belfast City Council*	21
Down District Council	21
Strabane District Council	21
Newry and Mourne District Council	20
Fermanagh District Council	19
Newtownabbey Borough Council*	19
Coleraine Borough Council*	18
Dungannon and South Tyrone Borough Council	18
Cookstown District Council	17
Magherafelt District Council	17
Antrim Borough Council	14
North Down Borough Council	10
Armagh City and District Council	9
Derry City Council***	-
Lisburn City Council***	-

\* Information on causes of absence was not available for 2004-05.

\*\* Information on causes of absence was not available for 2004-05 and 2005-06.

\*\*\* Information on causes of absence was not available for 2004-07 (paragraph 36).

Source: Northern Ireland councils

3 Cabinet Office: Working Well Together, 1998; The Work Foundation: Attendance management, 2003; and Chartered Institute of Personnel and Development: Absence Management, 2006

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14. It is our view that the potential gains in productivity for councils noted in [Figure 2](#) are both significant and attainable. We accept, however, that councils with high absenteeism rates are likely to take longer to realise these gains. Progress towards improved absenteeism rates, which are in line with the lowest rates found in Northern Ireland councils, remains important to ensure that:
  - existing 26 councils maximise staff productivity over their remaining lifetime;
  - new councils introduced following implementation of the Review of Public Administration inherit management practices which reflect the lowest absenteeism rates within the existing 26 councils.
15. References in the remaining sections of this report to Northern Ireland councils as a whole reflect an annual position, as opposed to the three-year derived annual absenteeism rates calculated for individual council analysis. When grouped together, Northern Ireland councils provide absenteeism data which is less susceptible to year-on-year fluctuations.





## Absenteeism for the sector as a whole

16. The 26 Northern Ireland councils employed a total of 9,343 full time equivalent staff in 2006-07. During this period, 129,153 working days were lost as a result of sickness absenteeism. This represents an average absenteeism rate of 13.82 days<sup>4</sup>, or nearly three weeks of absence, for each employee during 2006-07 (Figure 4). Lost productivity due to absence represents 6.2 per cent of available working days.
17. The 2006-07 absenteeism rate has increased marginally when compared to the 2005-06 rate of 13.73 days. The absenteeism rate for Northern Ireland councils, when taken together, still remains lower than the rates recorded for the years 2002-03 to 2004-05 (Figure 5).
18. Annual absenteeism rates for 2006-07 increased in 15 councils when compared to 2005-06. The extent

### 4 Combined absenteeism data for the 26 Northern Ireland councils (2005-06 and 2006-07)

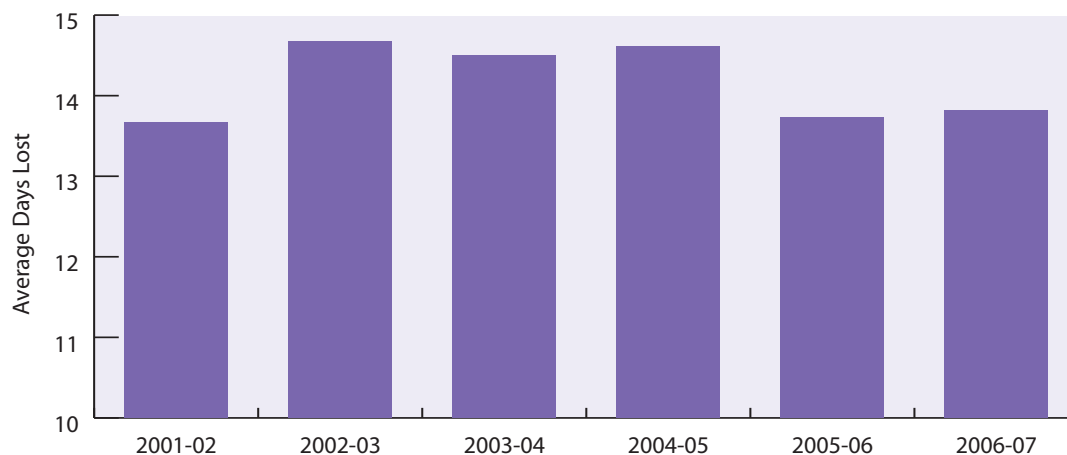
The 2006-07 absenteeism rate increased to 13.82 days

	2005-06	2006-07
Potential working days available	2,046,445	2,082,318
Number of full time equivalent employees	9,089	9,343
Days lost due to absence	124,774	129,153
Lost productivity rate (per cent)	6.10	6.20
Average absenteeism rate (days)	13.73	13.82

Source: Northern Ireland councils

### 5 Northern Ireland council absenteeism rates for the six years to 2006-07

The 2006-07 absenteeism rate has increased marginally from 2005-06 but remains below the higher levels experienced for the period 2002-03 to 2004-05.



Source: Chief Local Government Auditor

<sup>4</sup> The average absenteeism rate for 2006-07 is the mean rate for all 9,343 full time equivalent staff in Northern Ireland councils. The median absenteeism rate across all 26 councils for 2006-07 is 13.38 days.

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of these increases ranged from one to 60 per cent. In the 11 councils where absenteeism rates were reduced in 2006-07, these reductions ranged from one to 32 per cent.

19. In 2006-07, total gross staff costs for councils were £249 million<sup>5</sup>. Based on the average absenteeism rate of 13.82 days, the 2006-07 cost of absenteeism, when viewed simply as lost productivity, is projected to be £15.5 million (Figure 6). This compares with £14.0 million in 2005-06. The estimated cost does not include replacement costs such as temporary staff, additional overtime, or other indirect costs.

### 6 Comparison of the costs of absenteeism in Northern Ireland councils (2005-06 and 2006-07)

The projected 2006-07 cost of absenteeism is £15.5m

	2005-06	2006-07
Average absenteeism rate (days)	13.73	13.82
Lost productivity rate (per cent)	6.10	6.20
Gross staff costs	£229m	£249m
Projected cost of absenteeism	£14.0m	£15.5m

Source: Northern Ireland councils

## Best Practice Example A

### Line management responsibility

Studies of absenteeism in all employment sectors have found that absenteeism is lower in organisations where line managers are directly involved in absenteeism management of their staff. In order to fulfil absence management responsibilities line managers should be provided with suitable training.

#### Magherafelt District Council

It is now common for organisations to require employees to notify their line manager when they feel unable to attend their job. In Magherafelt District Council, employees taking sick leave are required to telephone their line manager within 3 hours of their expected starting time, providing the cause for their absence and an estimate of the length of time they will be absent. Managers record this information and forward a copy to the Human Resources department.

#### Down District Council

Down District Council's absence notification procedure requires employees to keep their line manager informed of progress on specified subsequent days.

#### Armagh City and District Council

In Armagh City and District Council, line managers are involved in absence interviews with employees who have breached certain trigger points relating to the number of absences and number of days taken as sick leave within a certain period. Human Resources and a Trade Union representative (at the employee's request) also attend these meetings where their pattern of absenteeism is discussed.

#### Lisburn City Council

Managers in Lisburn City Council conduct return to work interviews, absence interviews, liaise with occupational health services and are responsible for initialising any follow up action that is required. The Human Resources Unit trained all line managers in 2003 when the new policy was adopted. Line managers have also been trained in conducting return to work interviews and in keeping appropriate records of these events.

#### Newry and Mourne District Council

In Newry and Mourne District Council line managers received training on absence management during 2005 and are due to receive further training during 2007-08.

<sup>5</sup> Based on the sum of employment cost figures included in councils' accounts for 2006-07



20. There has been a nine per cent increase in gross staff costs in Northern Ireland councils, from £229 million in 2005-06 to £249 million in 2006-07. Three main factors resulting in the rise of £20 million were:

- an additional 254 full time equivalent staff
- increased pension costs
- a 2.95 per cent pay settlement.

21. Increased staff costs of £20 million in 2006-07, when combined with the slightly higher level of absenteeism, have increased lost productivity due to absence in Northern Ireland councils by £1.5 million. This increase in lost productivity represents 4,000 additional days of absence from the 125,000 recorded in 2005-06 to the 129,000 recorded in 2006-07 (Figure 4).

22. The absenteeism rate for Northern Ireland councils as a sector is marginally higher than the Northern Ireland Civil Service rate and marginally lower than the Northern Ireland Health Service rate (Figure 7).

## 7 Absenteeism rates in relevant employment sectors

The absenteeism rate for Northern Ireland councils is marginally lower than the Northern Ireland Health Service rate

	2005-06 (days)	2006-07 (days)
Northern Ireland Health Service <sup>6</sup>	13.2	13.9
Northern Ireland councils	13.7	13.8
Northern Ireland Civil Service <sup>7</sup>	13.4	13.7
Local government in England <sup>8</sup>	9.6	9.4
UK Economy <sup>9</sup>	6.6	7.0

Source: Chief Local Government Auditor

## Best Practice Example B

### Senior Management commitment

#### Magherafelt District Council

In 2003 the Chief Executive of Magherafelt District Council wrote to all employees noting the excessive levels of absenteeism and the effect this had upon the ratepayer and the council. The commitment of the chief executive and his directors is seen by this council as an important factor in tackling absenteeism.

#### Newry and Mourne District Council

All the employees of Newry and Mourne District Council have been provided with a summary Attendance Management Policy, which commences with a foreword written by the Chief Executive in support of the policy. This emphasizes the importance placed upon the policy by senior management.

<sup>6</sup> Department of Health, Social Services and Public Safety: Base information from Monitoring of Human Resource Activity reports (available at [www.dhsspsni.gov.uk](http://www.dhsspsni.gov.uk)); days lost figures calculated by NIAO. 2006-07 figure quoted includes Northern Ireland Ambulance Service statistics for the final six months only.

<sup>7</sup> Northern Ireland Statistics and Research Agency: Analysis of Sickness Absence in the NI Departments 2006-07

<sup>8</sup> Audit Commission: 2006-07 BVPI data and quartiles (available at [www.audit-commission.gov.uk/performance/dataprovision.asp](http://www.audit-commission.gov.uk/performance/dataprovision.asp)), BVPI 12.

<sup>9</sup> Confederation of British Industry: Attending to absence (Absence and labour turnover survey 2007), (based on a survey of 399 employers). These are calendar year figures for 2005 and 2006 respectively.

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23. As was the case when comparing one council with another, absenteeism comparisons for the sector as a whole in the first instance consider the potential for gains in productivity.
24. All the Northern Ireland public sector absenteeism rates we examined are considerably higher than the UK economy as a whole. Had the absenteeism rate for councils matched the UK economy figure of 7.0 days, the approximate gain in productivity would have been £7.6 million (Figure 8). This is equivalent to having an additional 285 staff in post throughout the year at no additional cost.
25. The 2006-07 absenteeism rate in Northern Ireland councils is more than forty five per cent higher than the rate recorded for local government in England. Had the Northern Ireland rate been similar to that of local government in England, the gain in productivity would have been £4.9 million (Figure 8), or a gain of 185 staff in post throughout the year at no additional cost.
26. Reducing the Northern Ireland council's absenteeism rate to that of the Northern Ireland Civil Service would have had only a marginal impact (£0.1 million) on council productivity (Figure 8).
27. Currently only two Northern Ireland councils have absenteeism rates below the average for local government in England. At paragraph 13, we recommend that councils with higher absenteeism rates benchmark their management practices against councils with lower absenteeism rates. Significant improvements by councils with high absenteeism rates would close the current absenteeism gap between the Northern Ireland council sector and the equivalent sector in the rest of the UK.

### 8 Comparison of the costs of absenteeism across relevant employment sectors

Reducing the Northern Ireland councils' absenteeism rate to that of other employment sectors would result in varying gains in productivity



Source: Chief Local Government Auditor



28. Absences were classified as short term or long term, with a long term absence defined as lasting 20 or more working days. Councils reported that 11 per cent of 2006-07 absences were long term (Figure 9), an increase from 10 per cent reported in 2005-06.

**9 Analysis of 2006-07 absences in Northern Ireland councils by duration**

11 per cent of absences were long term

	<b>Short Term</b>	<b>Long Term</b>	<b>All Absences</b>
Days lost due to absence	46,533	82,620	129,153
Number of absences	12,977	1,584	14,561
Average length of an absence (days)	3.59	52.15	8.87
Days lost due to absence (per cent)	36	64	100
Absences (per cent)	89	11	100

Source: Northern Ireland councils

## Best Practice Example C

### Regular review of absenteeism statistics

#### **Down District Council**

In Down District Council senior management hold a monthly “sickness and overtime” meeting and receive regular reports on absence statistics and associated records management. The priority given to reducing absence is illustrated by the fact that absence targets feature in the Council’s Corporate Plan as well as every manager’s business plan.

#### **Fermanagh District Council**

The senior management team of Fermanagh District Council receive monthly absenteeism reports including historic comparative figures. Absenteeism is a standing item on subsequent management team and department team meetings where directors cascade relevant information down to line managers for their attention.

#### **Lisburn City Council**

Lisburn City Council directors take monthly absenteeism reports to committees of the Council, where Members are supportive in the drive to reduce absenteeism. Line managers use monthly absenteeism reports covering their area of responsibility to take the appropriate action prescribed by the policy.

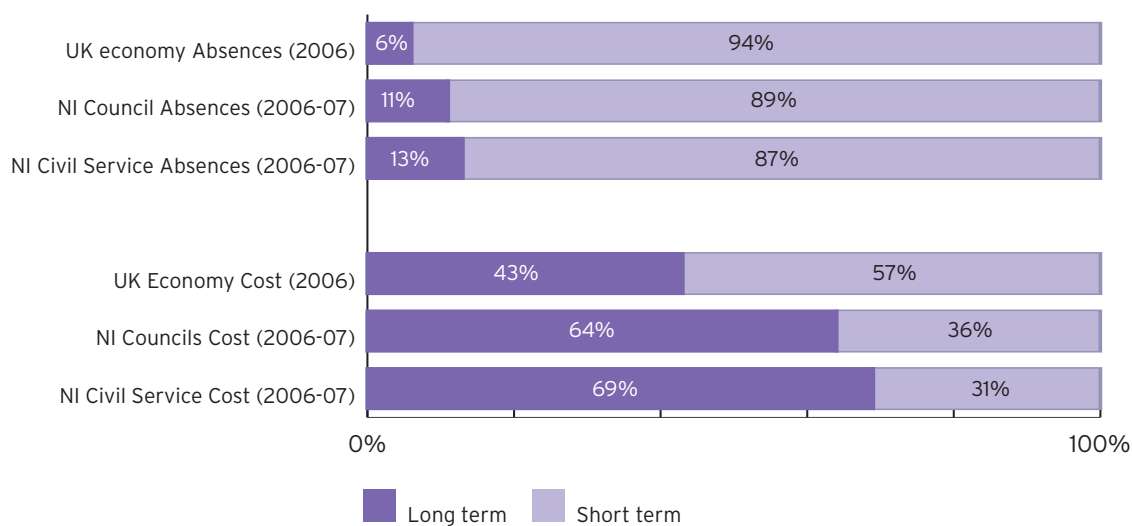


## Report

29. In the UK Economy, six per cent of absences were classified as long term, which is close to half the Northern Ireland council rate (Figure 10).
30. The larger proportion of long term absences in councils has a significant impact on the cost of absenteeism. In the UK economy, long term absences represent 43 per cent of the total time lost due to absence<sup>10</sup>. In Northern Ireland councils, 64 per cent of the total time lost due to absence in 2006-07 was as a result of long term absence. The proportion of long term absences in the Northern Ireland Civil Service is similarly significantly higher than the UK economy. The issue of more frequent long term absences would appear to extend beyond councils into other parts of the Northern Ireland public sector.
31. In 2006-07, long term absences cost councils £9.9 million in lost productivity. If councils reduced the proportion of long term absences to the average six per cent rate found in the UK economy, the cost of long term absence could be reduced by £3.2 million.
32. At paragraph 13, we recommend that councils with higher absenteeism rates should benchmark their management practices against councils with lower absenteeism rates. Given the relatively high levels of long term absenteeism in councils, and the associated costs, this benchmarking should pay particular attention to the management of long term absence.

### 10 Proportion of absences and their associated costs by duration

The larger proportion of long term absences in Northern Ireland has a significant impact on absence costs



Source: Chief Local Government Auditor

10 Confederation of British Industry: Attending to absence (Absence and labour turnover survey 2007)



## Best Practice Example D

### Occupational Health Advisors

All councils make use of independent medical advisors to some extent, particularly where employees are absent for more than four weeks.

#### **Down District Council**

In Down District Council, once an employee's absence record reaches a trigger point set out in the Managing Attendance Policy, their line manager refers the employee to an occupational health nurse (OCN). The nurse may refer the employee to an occupational health doctor if necessary. The nurse prepares a report of the appointment and issues this to Human Resources who copy the report to the line manager and the employee. If the employee fails to attend the appointment without good reason a charge for the appointment is deducted from their pay.

Following the occupational health clinic, each employee's line manager and where appropriate a Human Resources representative meet with the employee to discuss the outcomes of the appointment in terms of how they affect the employee and the Council. This includes an assessment of whether adjustments in the workplace would be required to facilitate the employee's return to work. Referrals are made to the OCN following a period of 4 weeks of sickness and long term absentees are required to see the OCN as advised from that point. If the absence is due to work related stress the employee is referred straight away. Employees are also referred immediately if their line manager is made aware of a potential condition or where the OCN may be able to uncover underlying causes for patterns of absence examined as part of a formal case review. Non-attendance at these appointments may be grounds for disciplinary action.

#### **Magherafelt District Council**

At Magherafelt District Council, employees who have had more than four absences, no matter how short, in a 12-month period are referred to the occupational health consultant. Employees at this council normally attend a meeting with their line manager and a Human Resources representative following attendance at an occupational health appointment. They discuss the employee's ongoing absence in conjunction with the occupational health report as well as any general practitioner report and consider the potential for a return to work.

#### **Armagh City and District Council**

A nurse visits Armagh City and District Council every fortnight to perform pre-employment health screening, assess ergonomical issues and provide general health advice.

**Report**

**Causes of absence in councils**

33. Councils were asked to categorise absences by cause, based on a classification developed by Local Government Employers<sup>11</sup>. In 2006-07, 24 councils reported summary information on the causes of absence.
34. The information on causes of absence provided by these 24 councils was used to project estimated costs for the causes of absence in respect of all 26 councils.
35. Some caution should be taken in interpreting the projected cost calculations as the actual cost for each cause of absence may have differed had information for all councils been available. The projection should, however, provide a reasonably reliable indication of the underlying position (Figure 11). It is based on a cross-section of councils and comprises:
  - 89 per cent of all 2006-07 days lost due to absenteeism; and
  - 90 per cent of all 2006-07 absences.
36. The accuracy of the absenteeism projection to all Northern Ireland councils will be enhanced when the remaining two councils provide causes of absence information. Derry City Council

commenced the association of causes with absence records in 2007-08. Lisburn City Council had previously indicated causes would be recorded during 2007-08 but this has been delayed to 2008-09.

37. We found that *stress, depression, mental health and fatigue* remains the largest cause of absenteeism, responsible for one fifth of days lost in both 2005-06 and 2006-07. Whilst this proportion is unchanged, the total cost of absenteeism has increased from £14.0 million to £15.5 million. Consequently lost productivity due to *stress, depression, mental health and fatigue* has increased from £2.8 million in 2005-06 to £3.1 million in 2006-07 (Figure 12).

**11 Proportion of Northern Ireland council absences with a reported cause in 2006-07**

	<b>Days lost due to absenteeism</b>	<b>Absences</b>
All Northern Ireland councils	129,153	14,561
Councils reporting information on causes	115,024	13,088
Proportion	89%	90%

Source: Northern Ireland councils

**Best Practice Example E**

**Action to tackle musculo-skeletal and back and neck problems**

We project that almost 35,000 absenteeism days were caused by musculo-skeletal and back and neck problems in 2006-07.

**Armagh City and District Council**

If employees of Armagh City and District Council hurt their back in the workplace, they are referred to a registered physiotherapist for six to ten sessions at the council's expense. The Council indicates this has resulted in a substantial reduction in days lost in relation to musculo-skeletal injury.

Both this council and **Newry and Mourne District Council** train all employees in manual handling techniques.

<sup>11</sup> Local Government Employers was formerly known as the Employers' Organisation for Local Government. It is a support organisation to England and Wales local authorities. Their classification was based primarily on those generally used in England and Wales local authorities and supplemented by the views of medical experts.



38. The causes of absence in Northern Ireland councils have been listed in Figure 12 according to total days lost (commencing with the cause of absence leading to the greatest time lost). A recent report<sup>12</sup> by the Work Foundation highlighted that there has been a significant increase in the number of long term absences as a proportion of total absences. The

report points to the fact that the majority of these longer term absences can be attributed to two conditions: stress and musculo-skeletal problems, the latter of which includes back and neck problems in the classification used in our report. In the 24 reporting Northern Ireland councils, 47 per cent of days lost were due to these illnesses.

## 12 Projected lost productivity in Northern Ireland councils by cause of absence (2006-07)

The cause of absence which results in the highest amount of lost productivity in councils is *stress, depression, mental health and fatigue*

	Projected days lost due to absenteeism	Days lost due to absenteeism (%)	Projected lost productivity (£m)
Stress, depression, mental health & fatigue	25,884	20	3.1
Musculo-skeletal problems	19,977	16	2.4
Other	14,679	11	1.8
Back and Neck problems	13,614	11	1.6
Infections	13,309	10	1.6
Stomach, liver, kidney & digestion	12,145	9	1.5
Chest & respiratory	7,623	6	0.9
Heart, blood pressure & circulation	6,457	5	0.8
Eye, ear, nose & mouth / Dental	4,472	4	0.5
Neurological	4,194	3	0.5
Pregnancy (excluding maternity leave)	3,741	3	0.4
Genito-Urinary / Gynaecological	3,058	2	0.4
<b>Total</b>	<b>129,153</b>	<b>100</b>	<b>15.5</b>

Source: Northern Ireland councils

12 The Work Foundation: *Fit for Work? Musculoskeletal Disorders and Labour Market Participation*, 2007

## Report

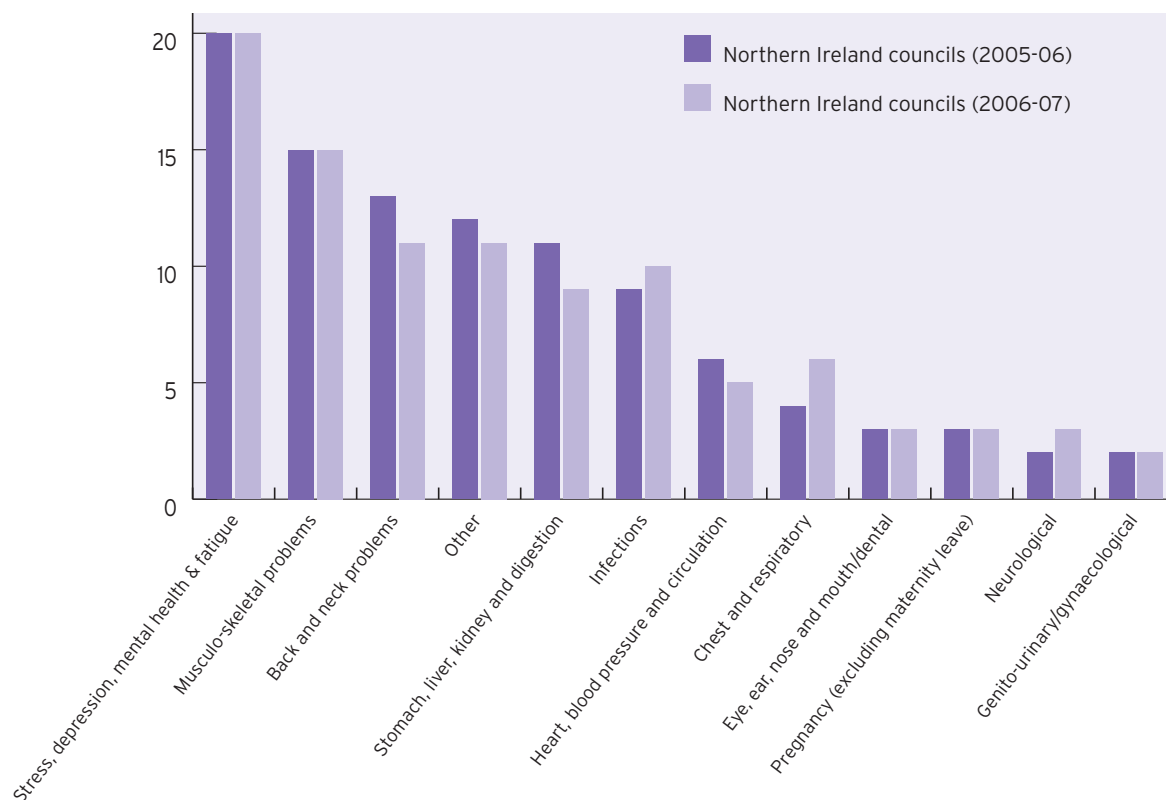
39. There was little variation in the causes of absence in Northern Ireland councils between 2005-06 and 2006-07 (Figure 13), with no change in respect of the two largest causes of absence, *stress, depression, mental health and fatigue*, and musculo-skeletal problems. In the other categories the largest change was two per cent.
40. In our 2005-06 report on *Absenteeism in Northern Ireland councils* we noted that there was some similarity between Northern Ireland councils and England and Wales councils in the causes of absence. The latest available information on causes of absence for England and Wales councils covers 2004-05 and this has yet to be updated. However, the proportions reported for that year had not significantly changed

from previous years. Given that stability in causes of absence year on year is also the case in Northern Ireland councils, we believe that the similarities in the causes of absence, between Northern Ireland councils and England and Wales councils, are likely to remain.

41. Different causes of absence would not appear to explain the additional £4.9 million absence costs incurred by Northern Ireland councils when compared to local authorities in England (paragraph 25). In general, staff appear to be absent for similar reasons. In Northern Ireland councils however, these same causes of absence lead to longer or more frequent periods of absence and consequently higher absence costs.

### 13 Causes of absence in Northern Ireland councils for 2005-06 and 2006-07

There has been little change between the two years







- 42. For 2006-07, almost half of all absences in Northern Ireland councils were accounted for either by infections or by absences due to *stomach, liver, kidney and digestion* illnesses. The average duration of these absences, four days, is less than all other causes of absence (Figure 14).
- 43. Absences due to *stress, depression, mental health & fatigue* last the longest with an average duration of over 27 working days, equivalent to more than five working weeks. This average has increased by three days from the average duration reported in 2005-06.
- 44. A large proportion of councils, 21 of the 26, told us that they seek to determine whether each incidence

of stress is work related or not. This recognises that action can be taken by a council to alleviate at least some of the stress considered to be related to the work environment. The Health and Safety Executive encourages organisations to tackle work-related stress in order to reduce sickness absence, to benefit the business and to comply with the law. It recommends that organisations assess the risk of stress-related ill health arising from work activities and take measures to control that risk. The Health and Safety Executive has produced management standards for tackling work related stress and these have been adopted in 14 councils. More information on what councils are doing to tackle stress-related absenteeism can be found at paragraph 50.

#### 14 Number of absences recorded by Northern Ireland councils for each cause (2006-07)

Infections or stomach, liver, kidney and digestion ailments cause almost half of all absences

	Projected days lost due to absenteeism	Projected Absences	Average Duration (Days)	Absence (%)
Infections	13,309	3,522	4	24
Stomach, liver, kidney & digestion	12,145	3,185	4	22
Other	14,679	1,653	9	11
Musculo-skeletal problems	19,977	1,208	17	8
Stress, depression, mental health & fatigue	25,884	962	27	7
Back and Neck problems	13,614	961	14	7
Eye, ear, nose & mouth / Dental	4,472	915	5	6
Chest & respiratory	7,623	828	9	6
Neurological	4,194	651	6	5
Heart, blood pressure & circulation	6,457	264	24	2
Pregnancy (excluding maternity leave)	3,741	210	18	1
Genito-Urinary / Gynaecological	3,058	202	15	1
<b>Totals</b>	<b>129,153</b>	<b>14,561</b>	<b>9</b>	<b>100</b>

Source: Northern Ireland councils

**Report**

**Absenteeism policies in councils**

- 45. By 2006-07, all councils had implemented a written absence policy, with the exception of Magherafelt District Council. This Council's record of low absenteeism would suggest that a written absence policy is not a pre-requisite to managing absenteeism effectively.
- 46. Most councils' absenteeism policies incorporate six standard absence management tools (Figure 15). In particular, the use of return to work interviews and formal notification of absence procedures are included in all 25 written policies. In 2006-07, these tools were ranked by 19 councils in the order they regarded as being most effective. The results indicated that return to work interviews are regarded as the most effective absence management tool.

**15 Management tools for absence ranked by Northern Ireland councils (2006-07)**

Councils consider return to work interviews to be the most effective absence management tool

	<b>Councils incorporating tool</b>	<b>Perceived effectiveness ranking</b>
Return to work interviews	25	1st
Occupational Health Service	24	2nd
Formal Notification Procedures	25	3rd
Giving absence statistics to supervisors	23	4th
Discipline Procedures	22	5th
Workplace counselling	23	6th

Source: Northern Ireland councils

**Best Practice Example F**

**Policy and Procedures**

Councils should maintain up-to-date policies and procedures for the management of attendance. This allows the implementation of suitable revisions which reflect current good practice in managing absenteeism and in particular enables councils to address high rates of absenteeism. It was noted that councils with a history of good absence management have either just completed or are currently reviewing their absence management policy and procedures.

**Lisburn City Council**

Lisburn City Council updated their Absence Policy in 2005 and further training was provided to line managers prior to the introduction of the revised policy. All employees received a copy of the revised policy with their payslips. The revised policy has enhanced the Council's approach to occupational health services, introduced new timescales for the measurement of trigger points, and clarified the roles and responsibilities for implementation for line managers and employees. Line managers now clearly document their refusal to authorise sick pay when the notification procedures are not followed.

The Council is also currently updating their Managing Attendance Policy and Procedures.

**Other Councils**

**Fermanagh District Council** revised their policy and procedures recently; both **Down District Council** and **Newry and Mourne District Council** are currently reviewing their policies; **Armagh City and District Council** is planning to have a similar review completed by the end of 2007-08.



47. In the UK economy as a whole, return to work interviews are similarly regarded as the most effective absence management tool<sup>13</sup>.
48. All councils with written policies stated that staff were made aware of their absence policy. Methods used to raise staff awareness of absence policies varied. These included:
- providing new staff members with a copy of the policy on induction to the council;
  - holding awareness sessions for staff members;
  - making electronic copies available on council intranets or shared network drives.
49. Four of the 25 councils with a documented absence policy indicated that they do not perform any internal monitoring to ensure the policy is followed. The four councils are: Cookstown District Council, Craigavon Borough Council, Limavady Borough Council and Moyle District Council. To ensure that absenteeism policies have the maximum possible impact on the management of absenteeism, we recommend that policies are routinely monitored and adjusted as required.
50. Eight councils have implemented a stress or mental health policy. A typical policy for managing stress in the workplace identifies the responsibilities of directors, line managers, the Health and Safety Officer, and employees. The policy may also set out the roles of the Occupational Health Service and the Staff Care Service, and the procedure to be followed if a member of staff feels they are suffering from the negative effects of stress. The policy is also likely to indicate how it relates to the council's absence management policy.
51. As stress-related absence is the single largest cause of absenteeism in Northern Ireland councils (paragraph 37), we particularly welcome the action being taken by some councils to address this. It is our view that all councils should be proactive in their management of stress-related absenteeism.
52. Staff are notified of absence information in thirteen councils. A variety of notification methods are used, including providing managers with absence information to relay to staff through team briefing sessions. The communication of absence information to staff helps ensure that staff are aware of the importance of absenteeism and the role each individual can play. We recommend all councils routinely notify staff of a range of absenteeism information including rates, targets and policies.

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13 Confederation of British Industry: Attending to absence (Absence and labour turnover survey 2007)

### Absenteeism targets in councils

53. There is currently no requirement for Northern Ireland councils to set long term targets for the reduction of absenteeism. Targets for absenteeism in 2010 have been set for the 11 Northern Ireland Civil Service departments<sup>14</sup>. This involves an overall reduction in sickness absence, from 15.5 days in 2003-04 to 9.5 days by 2009-10, which is an eight per cent reduction target each year over the six year period.
54. In 2006-07, 19 of the 26 councils had established corporate or departmental level targets for managing absenteeism rates. North Down Borough Council was the only council which met its set target for 2006-07.
55. At paragraph 13, we recommend that councils with higher absenteeism rates should benchmark their management practices against councils with lower absenteeism rates. This should include the establishment and monitoring of targets which, over a defined timeframe, will assist councils to focus on their progress towards absenteeism levels which match, or improve upon, the lowest rates currently found in Northern Ireland councils.

### Best Practice Example G

#### Action to tackle stress

##### **Newry and Mourne District Council**

Newry and Mourne District Council has used statistical information to concentrate efforts to reduce absenteeism on specific causes of absence. With stress as a major cause of absence at the council, a stress audit was carried out in conjunction with the Council's occupational health service during 2006-07.

##### **Armagh City and District Council**

As part of the Employer of Choice programme, Armagh City and District Council completed a Work Life Balance Audit administered by Action Mental Health in 2005. The audit incorporated the Health and Safety Executive's stress indicators for tackling work-related stress.

14 Northern Ireland Statistics and Research Agency: *Analysis of Sickness Absence in the NI Departments 2006-07*



## Absenteeism data in councils

56. Data collection questionnaires, seeking details of absenteeism during the financial year to 31 March 2007, were issued to all 26 councils in May 2007. We asked for completed questionnaires to be returned by 29 June 2007. Fifteen councils had submitted responses on or before this date. By 31 August, some nine weeks later, one council had not submitted a response and another council had not submitted a revised response (paragraph 58).
57. Down District Council submitted its questionnaire on 6 September 2007, more than nine weeks after the due date.
58. A completed questionnaire was received from Lisburn City Council on 9 July 2007. Errors were discovered when this return was scrutinised. The Council reviewed its original findings and submitted a revised response, which was received on 24 September 2007, 12 weeks after the due date. This report has been delayed due to the late receipt of responses.
59. The apparent inability of some councils to produce comparative absenteeism statistics within a reasonable period of time is a matter of concern. This suggests that internally generated absenteeism information is often not available to councils on a timely basis. Consequently, opportunities to react promptly to any increased absenteeism may be lost. To assist internal management, and the preparation of our 2007-08 report, we recommend all councils should ensure absenteeism data is compiled on a timely basis.
60. Absenteeism returns from councils were subject to reasonableness tests to provide assurance on the integrity and consistency of the information presented. For 2006-07, we visited nine councils and their returns were subjected to more detailed scrutiny. This included the examination of supporting documentation on a sample basis. This examination uncovered missing documentation and inconsistencies in eight of the nine councils, although in most cases these were of a minor nature.
61. Lisburn City Council was one of the nine councils visited. The return prepared by the Council was based on a system of electronic spreadsheets which contained several discrepancies when compared to supporting documentation.
62. The effective management of absenteeism in councils requires reliable absence data. Councils should ensure the integrity of the data used to calculate and monitor absenteeism rates, and to set absenteeism targets.
63. In seven of the nine councils visited, absence policies stated that a return to work interview should be completed each time an employee returns from any absence due to sickness. On review, it was apparent that a return to work form was not always completed, or the associated documentation was not readily available for inspection. As the return to work interview has been ranked as the most effective absence management tool (paragraph 46), councils should ensure that, where required, line managers carry out these interviews and formally document them.

### Best Practice Example H

#### Health Screening and Promotion

##### Lisburn City Council

Lisburn City Council provides bi-annual health screening for all employees. Additionally, cancer screening and advice was provided by the Action Cancer "Big Bus", which visited the council during 2006. This event also featured several health promotion stalls where advice was available on a variety of health-related issues.







Northern Ireland Audit Office

# Conclusions



### Conclusions

64. We have noted the variation in absenteeism rates within councils including that two councils have rates which are two and a half times the lowest rate recorded by a Northern Ireland council. We are disappointed to note the marginal increase in the overall 2006-07 Northern Ireland council absenteeism rate to 13.82 days. Whilst the rate is lower than that experienced between 2002-03 and 2004-05, it remains high when compared with other employment sectors outside Northern Ireland.
65. We projected the cost of absenteeism in Northern Ireland councils in 2006-07 to be £15.5 million in lost productivity. While the absenteeism rate has increased marginally, the application of this rate to staff costs which have increased by £20 million has resulted in a £1.5 million increase in the cost of absenteeism between 2005-06 and 2006-07. This increase in lost productivity represents 4,000 additional days of absence.
66. Given the substantial impact on increased productivity in Northern Ireland councils which would arise from reductions in absenteeism, it is our intention to review this matter again for the year ending 31 March 2008.



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# Appendices





**Appendices**

**Appendix I: Potential gains in productivity for each Northern Ireland council**

<b>Potential gains in productivity for each Northern Ireland council</b>						
Annual gains of £6.8 million in productivity could be made if all councils matched the lowest absenteeism rate reported by Magherafelt District Council (2004-07)						
	<b>Average absenteeism rate for the 2004-07 period</b>	<b>Average annual staff costs 2004-07 (£'000)</b>	<b>Average annual lost productivity 2004-07 (£'000)</b>	<b>Difference from absenteeism rate of 7.41 days</b>	<b>Average annual potential productivity gains based on an absenteeism rate of 7.41 days* (£'000)</b>	<b>Average annual potential productivity gains based on an absenteeism rate of 7.41 days (% of staff costs)</b>
Magherafelt District Council	7.41	3,866	128	-	-	-
Fermanagh District Council	9.18	6,304	260	1.77	50	0.8
Down District Council	9.71	7,136	320	2.30	76	1.1
Armagh City and District Council	9.73	6,868	291	2.32	69	1.0
Lisburn City Council	10.00	11,468	515	2.59	133	1.2
Castlereagh Borough Council	10.24	8,213	366	2.83	101	1.2
Banbridge District Council	10.44	4,361	206	3.03	60	1.4
Ballymena Borough Council	11.19	7,164	360	3.78	122	1.7
Strabane District Council	11.73	4,050	216	4.32	80	2.0
Newtownabbey Borough Council	12.63	9,128	529	5.22	219	2.4
North Down Borough Council	12.65	8,566	481	5.24	199	2.3
Antrim Borough Council	12.70	5,616	317	5.29	132	2.4
Ards Borough Council	13.08	8,362	500	5.67	217	2.6
Dungannon & South Tyrone Borough Council	13.37	6,127	369	5.96	165	2.7
Omagh District Council	14.16	6,902	432	6.75	206	3.0
Cookstown District Council	14.19	4,178	262	6.78	125	3.0
Limavady Borough Council	14.92	3,380	222	7.51	112	3.3
Coleraine Borough Council	15.32	7,480	520	7.91	268	3.6
Moyle District Council	15.43	2,866	199	8.02	103	3.6
Belfast City Council	15.95	59,495	4,220	8.54	2,259	3.8
Ballymoney Borough Council	16.59	2,735	203	9.18	112	4.1
Craigavon Borough Council	16.66	11,596	885	9.25	491	4.2
Newry and Mourne District Council	16.93	9,871	744	9.52	418	4.2
Derry City Council	17.32	14,381	1,087	9.91	622	4.3
Carrickfergus Borough Council	19.69	4,679	420	12.28	262	5.6
Larne Borough Council	20.29	4,061	374	12.88	237	5.8
<b>Total</b>		<b>228,853</b>	<b>14,426</b>		<b>6,838</b>	<b>3.0</b>

\*The potential productivity gain is derived from the difference in absenteeism rate when compared to a rate of 7.41 days (Figure 1), staff costs and the potential working days available to a full time equivalent employee over the period (223 days per year)

Source: Chief Local Government Auditor





## Appendix 2: Commentary on Northern Ireland councils' three year average annual absenteeism rates (paragraph 10)

### **Antrim Borough Council**

The 2004-07 three-year absenteeism rate of 12.70 days for Antrim Borough Council is below the Northern Ireland council average. The Council's absenteeism rate has improved in 2004-07 with a reduction of three days from 15.78 days in 2001-04 (Figure 1).

Absenteeism cost the Council an average of £317,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £132,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

14 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

### **Ards Borough Council**

Ards Borough Council has experienced a slight decrease in its absenteeism rate since 2001-04 when the rate was 13.52 days. Whilst the decrease was less than half a day, Ards Borough Council now has a rate of 13.08 days which is below the Northern Ireland Council average (Figure 1).

Absenteeism cost the Council an average of £500,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £217,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

21 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

### **Armagh City and District Council**

Armagh City and District Council has experienced a slight increase of just over half a day in its absenteeism rate over the two periods from 9.13 days in 2001-04 to 9.73 days in 2004-07. The council continues however to have absenteeism rates that are significantly below the Northern Ireland council average (Figure 1).

Absenteeism cost the Council an average of £291,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £69,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

9 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

### **Ballymena Borough Council**

Ballymena Borough Council had the lowest absenteeism rate of all Northern Ireland councils for the 2001-04 period. However an increase of more than two days has taken the council's absenteeism rate from 9.07 days in 2001-04 to 11.19 days in 2004-07. The 2004-07 absenteeism rate remains well below the Northern Ireland council average (Figure 1).

Absenteeism cost the Council an average of £360,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £122,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

25 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

## Appendices

### Appendix 2 (continued)

#### **Ballymoney Borough Council**

Ballymoney Borough Council has experienced an increase of almost three days in its absenteeism rate from 13.77 days in 2001-04 to 16.59 days in 2004-07. The 2004-07 rate now places the Council well above the Northern Ireland council average and is more than double the lowest rate (Figure 1).

Absenteeism cost the Council an average of £203,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £112,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

28 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

#### **Banbridge District Council**

Banbridge District Council experienced a significant reduction in its absenteeism rate of almost four days from 14.37 days in 2001-04 to 10.44 days in 2004-07. This is one of the largest improvements in absenteeism rates and now means Banbridge District Council has an absenteeism rate which is well below the Northern Ireland council average (Figure 1).

Absenteeism cost the Council an average of £206,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £60,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

23 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

#### **Belfast City Council**

Belfast City Council experienced an increase of half a day in its absenteeism rate from 15.45 days in 2001-04 to 15.95 days in 2004-07. The 2004-07 rate continues to place the Council above the Northern Ireland council average and is more than double the lowest rate (Figure 1).

Absenteeism cost the Council an average of £4.22 million in lost productivity each year during the 2004-07 period. This cost could have been reduced by more than £2.25 million each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

21 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

#### **Carrickfergus Borough Council**

Carrickfergus Borough Council experienced an increase in its absenteeism rate of two and a half days from 17.13 days in 2001-04 to 19.69 days in 2004-07. The council's absenteeism rate remains significantly above the Northern Ireland council average and is in excess of two and a half times the lowest rate (Figure 1).

Absenteeism cost the Council an average of £420,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £262,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

23 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).



## Appendix 2 (continued)

### **Castlereagh Borough Council**

Castlereagh Borough Council has reduced its absenteeism rate by more than two and a half days from the 2001-04 rate of 12.83 days to 10.24 days in 2004-07. This reduction means that Castlereagh Borough Council has an absenteeism rate that has moved from below the Northern Ireland council average to well below the average (Figure 1).

Absenteeism cost the Council an average of £366,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £101,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

25 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

### **Coleraine Borough Council**

Coleraine Borough Council experienced an increase in its absenteeism rate of more than three and a half days from 11.64 days in 2001-04 to 15.32 days in 2004-07. This was the largest increase in absenteeism rates between the two periods. The Council's 2001-04 rate was below the Northern Ireland council average but the 2004-07 absenteeism rate is now above average and is more than double the lowest rate (Figure 1).

Absenteeism cost the Council an average of £520,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £268,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

18 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

### **Cookstown District Council**

Cookstown District Council's absenteeism rate has increased by one and a half days from 12.65 days in 2001-04 to 14.19 days in 2004-07. The Council's absenteeism rate although previously below the Northern Ireland council average is now above the average (Figure 1).

Absenteeism cost the Council an average of £262,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £125,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

17 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

### **Craigavon Borough Council**

Craigavon Borough Council experienced an increase in its absenteeism rate of half a day from 16.17 days in 2001-04 to 16.66 days in 2004-07. The Council's absenteeism rate remains well above the Northern Ireland council average and is more than double the lowest rate (Figure 1).

Absenteeism cost the Council an average of £885,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £491,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

28 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

## Appendices

### Appendix 2 (continued)

#### **Derry City Council**

Derry City Council experienced an increase in its absenteeism rate of almost a day and a half from 15.95 days in 2001-04 to 17.32 days in 2004-07. The Council's absenteeism rate remains well above the Northern Ireland council average and is more than double the lowest rate (Figure 1).

Absenteeism cost the Council an average of almost £1.09 million in lost productivity each year during the 2004-07 period. This cost could have been reduced by £622,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

The Council does not currently record the causes of absenteeism (paragraph 36). Consequently the proportion of absenteeism due to stress, depression, mental health and fatigue cannot be determined (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

#### **Down District Council**

Down District Council has experienced a decrease in its absenteeism rate of one day, moving from 10.78 days in 2000-03 to 9.71 days in 2004-07. This is a further improvement on a rate that was already significantly below the Northern Ireland council average (Figure 1).

Absenteeism cost the Council an average of £320,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £76,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

21 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

#### **Dungannon and South Tyrone Borough Council**

Dungannon and South Tyrone Borough Council experienced an increase in its absenteeism rate of one day from 12.41 days in 2001-04 to 13.37 days in 2004-07. This increase means the Council has moved closer to, but remains below, the Northern Ireland council average (Figure 1).

Absenteeism cost the Council an average of £369,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £165,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

18 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

#### **Fermanagh District Council**

Fermanagh District Council has reduced its the three year absenteeism rate by almost two days, from 10.99 days in 2001-04 to 9.18 in 2004-07. This is a further improvement on a rate that was already significantly below average (Figure 1).

Absenteeism cost the Council an average of £260,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £50,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

19 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).





## Appendix 2 (continued)

### Larne Borough Council

Larne Borough Council's three year average absenteeism rate for 2004-07 of 20.29 days is the highest of all 26 councils and is in excess of two and a half times the lowest rate. The 2004-07 rate is almost one and a half days higher than the 2001-04 rate of 18.81 days (Figure 1).

Absenteeism cost the Council an average of £374,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £237,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

32 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

### Limavady Borough Council

Limavady Borough Council experienced an increase in its absenteeism rate of more than three days from 11.52 days in 2001-04 to 14.92 days in 2004-07. The Council's 2001-04 rate was well below the Northern Ireland council average but the 2004-07 absenteeism rate is now above average and is more than double the lowest rate (Figure 1).

Absenteeism cost the Council an average of £222,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £112,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

22 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

### Lisburn City Council

Lisburn City Council has experienced a significant reduction of two and a half days from the 2001-04 average absenteeism rate of 12.58 days to 10.00 days in 2004-07. Lisburn City Council has moved from an absenteeism rate which was already below the Northern Ireland council average to a rate which is significantly below the average (Figure 1).

Absenteeism cost the Council an average of £516,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £133,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

The Council does not currently record the causes of absenteeism (paragraph 36). Consequently the proportion of absenteeism due to stress, depression, mental health and fatigue cannot be determined (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

### Magherafelt District Council

Magherafelt District Council has achieved the lowest absenteeism rate of all 26 Northern Ireland Councils for the 2004-07 period. The Council experienced a considerable reduction of three and a half days in its absenteeism rate from 10.93 days in 2001-04 to 7.41 days in 2004-07 (Figure 1).

Absenteeism cost the Council an average of £128,000 in lost productivity each year during the 2004-07 period (Appendix 1).

17 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).



## Appendices

### Appendix 2 (continued)

#### **Moyle District Council**

Moyle District Council's absenteeism rate has increased by two and a half days from 12.77 days in 2001-04 to 15.43 days in 2004-07. The Council's 2001-04 rate was below the Northern Ireland council average but the 2004-07 absenteeism rate is now above average and is more than double the lowest rate (Figure 1).

Absenteeism cost the Council an average of £199,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £103,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

25 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

#### **Newry and Mourne District Council**

Newry and Mourne District Council's absenteeism rate has improved by four days from the 2001-04 rate of 20.94 days to the 2004-07 rate of 16.93 days. Although this is the largest improvement in all Northern Ireland councils, the 2004-07 absenteeism rate remains well above the Northern Ireland council average and is more than double the lowest rate (Figure 1).

Absenteeism cost the Council an average of £744,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £418,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

20 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

#### **Newtownabbey Borough Council**

Newtownabbey Borough Council experienced a reduction of over a day and a half in its absenteeism rate from 14.28 days in 2001-04 to 12.63 days in 2004-07. This improvement moves the Council from an absenteeism rate which was similar to the Northern Ireland council average, to a rate which is below the average (Figure 1).

Absenteeism cost the Council an average of £529,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £219,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

19 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

#### **North Down Borough Council**

North Down Borough Council has experienced a considerable reduction of more than three days from the 2001-04 average annual absenteeism rate of 16.05 days to 12.65 days in 2004-07. This reduction moves the Council from an absenteeism rate which was above the Northern Ireland council average to a rate which is below the average (Figure 1).

Absenteeism cost the Council an average of £481,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £199,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

10 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).



## Appendix 2 (continued)

### **Omagh District Council**

Omagh District Council has experienced a decrease of half a day in its absenteeism rate from 14.68 days in 2001-04 to 14.16 days in 2004-07. Across the two periods the Council's absenteeism rate remains above the Northern Ireland council average (Figure 1).

Absenteeism cost the Council an average of £432,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £206,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

25 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

### **Strabane District Council**

Strabane District Council experienced an increase in its absenteeism rate of over one and a half days from 10.00 days in 2001-04 to 11.73 days in 2004-07. The Council's absenteeism rate continues to be well below the Northern Ireland council average (Figure 1).

Absenteeism cost the Council an average of £216,000 in lost productivity each year during the 2004-07 period. This cost could have been reduced by £80,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

21 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 3). The average for Northern Ireland councils was 20 per cent (paragraph 37).

**Notes**





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