

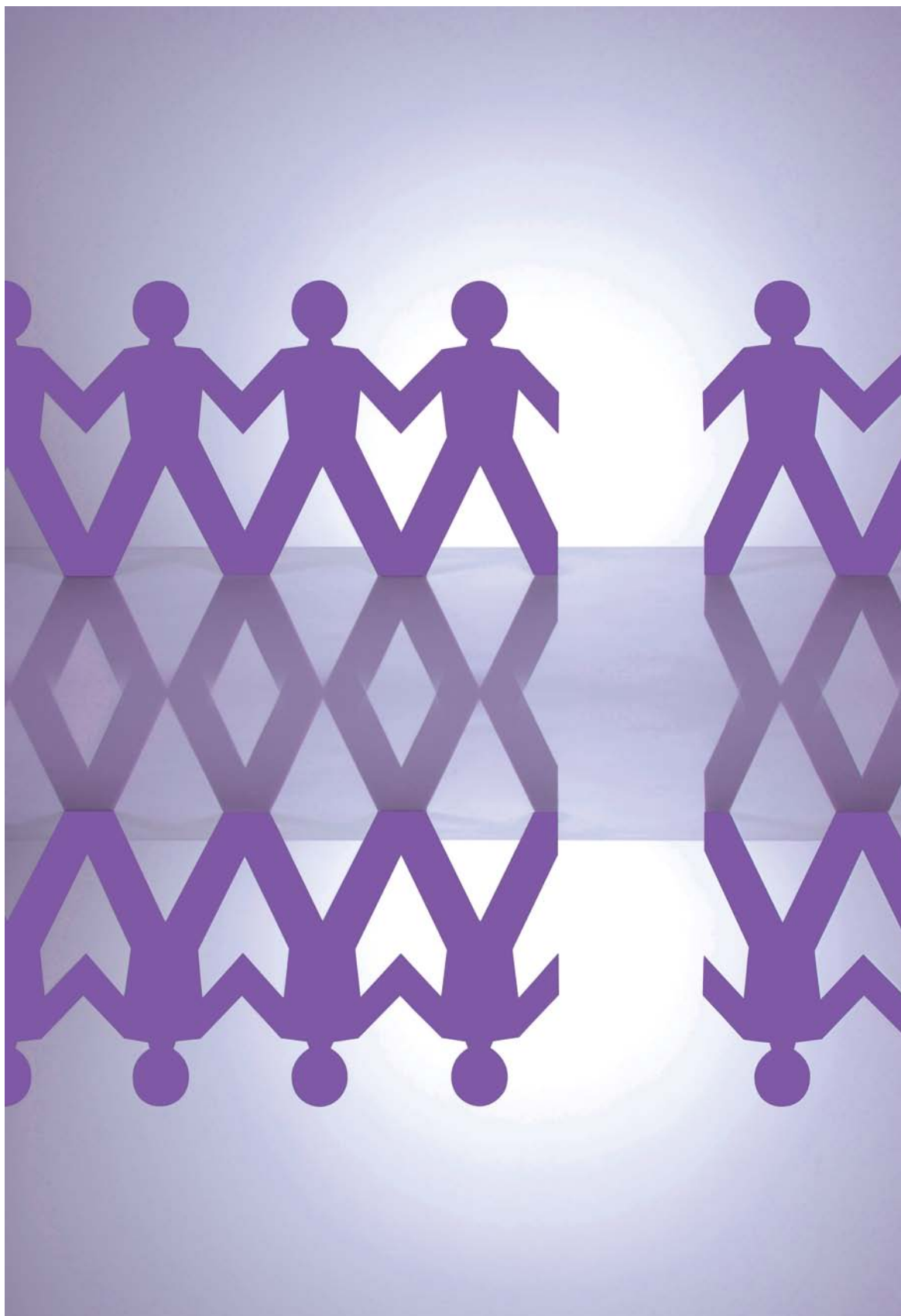


Northern Ireland Audit Office

Absenteeism in Northern Ireland Councils 2008-09

REPORT BY THE CHIEF LOCAL GOVERNMENT AUDITOR

11 December 2009





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

John Buchanan
Chief Local Government Auditor
December 2009

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Contents

	Page
EXECUTIVE SUMMARY	3
Scope of the report	4
Main findings	5
REPORT	9
Absenteeism within councils	10
Absenteeism for the sector as a whole	19
Causes of absence in councils	28
Absenteeism policies in councils	32
Absenteeism targets in councils	34
Absenteeism data in councils	36
CONCLUSIONS	39
APPENDICES	41
Appendix 1: Potential gains in productivity for each Northern Ireland council (2006-09) if the lowest absenteeism rate was equalled	42
Appendix 2: Change in annual productivity for each Northern Ireland council resulting from a comparison of 2003-06 and 2006-09 absenteeism rates	43
Appendix 3: Commentary on Northern Ireland councils' three-year average annual absenteeism rates	44



Northern Ireland Audit Office

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 2009:

- numbers of absences;
- duration of absences;
- numbers of full time equivalent employees;
- 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 7.25 days for the 2006-09 period. Had all councils matched the lowest average annual absenteeism rate, a total of £7.2 million a year could have been gained in productivity (paragraphs 3 and 8).
- Average annual absenteeism rates for seven councils were more than double the rate recorded in Magherafelt District Council for the 2006-09 period. These were Carrickfergus Borough Council (19.30 days), Larne Borough Council (17.86 days), Derry City Council (17.79 days), Moyle District Council (17.65 days), Craigavon Borough Council (17.43 days), Ballymoney Borough Council (15.37 days) and Coleraine Borough Council (14.64 days) (paragraphs 3 and 4).
- Moyle District Council had the largest average annual absenteeism rate increase. The rate of 17.65 days recorded for the 2006-09 period is 3.19 days more than the 2003-06 rate of 14.46 days. Although Ballymena Borough Council had a marginally smaller increase in its absenteeism rate (2.91 days), with staff costs more than double those of Moyle District Council, the average annual productivity loss of £100,000 is the largest recorded by any Northern Ireland council (paragraphs 5 and 12).
- Of the 13 councils showing an improvement over the two periods, Newry and Mourne District Council improved the most with a significant reduction in its absenteeism rate of 4.58 days from 19.05 days in 2003-06 to 14.47 days in 2006-09 (paragraphs 6 and 11).
- The reduction by Belfast City Council in its absenteeism rate of 2.73 days between 2003-06 and 2006-09 has led to an average annual productivity gain of £838,000 (paragraph 11).
- In Ballymoney Borough Council, 47 per cent of total days lost due to absenteeism was caused by stress, depression, mental health and fatigue. This is more than four times the rate of stress-related absence recorded in Magherafelt District Council, Fermanagh District Council, North Down Borough Council and Armagh City and District Council (paragraph 14).
- Further commentary on each council's three-year average annual absenteeism rate is at [Appendix 3](#) (paragraph 15).
- 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 18, 19 and 20).
- The most frequent change in council practices, noted in the case studies included in this report, is the increased involvement of both senior and line management in the oversight of absenteeism (paragraph 21).
- Based on the period 2006-09 we estimate that there would be a productivity difference of £3.6 million if the 11 new councils, to be established under the Review of Public Administration (RPA) reforms, can achieve the lowest absenteeism rate currently found in their constituent councils, as opposed to the highest rate (paragraph 24).
- Given that staff costs (£280 million in 2008-09) represent nearly 40 per cent of council expenditure, and the impact that reduced rates of absenteeism can have on the efficiency of staff resources, it is our view that absenteeism management should not be overlooked by the Transition Committees established for each post-RPA council. To support this analysis we have compiled, for the first time, absenteeism rates on a post-RPA council basis from the current rates recorded in the existing 26 councils (paragraph 25).

Executive Summary

Absenteeism for the sector as a whole

- The 26 Northern Ireland councils employed a total of 9,753 full time equivalent staff in 2008-09. During this period over 121,000 working days were lost as a result of sickness absence. This represents an average absenteeism rate of 12.43 days, or two and a half weeks of absence, for each employee during 2008-09 (paragraph 28).
- The 2008-09 absenteeism rate reflects a significant reduction of 1.27 days (9 per cent) when compared to the 2007-08 rate of 13.70 days. The current absenteeism rate for all Northern Ireland councils is now lower than any annual rate recorded this decade and is a reduction of 2.24 days (15 per cent) from the peak recorded in 2002-03. Increased staff efficiency will be particularly welcome for councils given the current economic climate. (paragraph 29).
- Even though staff costs have increased by £13 million, when combined with the significant reduction in the 2008-09 absenteeism rate, the result has been a £0.9 million reduction in the cost of lost productivity due to absence in Northern Ireland councils from £16.4 million in 2007-08 to £15.5 million in 2008-09. Consequently councils have, in 2008-09, recorded the first ever fall in the cost of absenteeism since this data has been compiled (paragraphs 30, 31 and 32).
- Reflecting the significant reduction in the absenteeism rate for the sector as a whole, annual absenteeism rates for 2008-09 fell in 20 councils when compared to 2007-08. In no other year during this decade has there been such a large number of councils with a reduction in absenteeism rates (paragraph 33).
- Across Northern Ireland councils, 40 per cent of full time equivalent employees (over 3,900) had no absence during 2008-09. This is a marked increase from the 37 per cent recorded in 2007-08 with 19 councils showing an improvement (paragraph 34).
- Although the absenteeism rate for Northern Ireland councils is lower than both the Northern Ireland

Housing Executive rate and the Northern Ireland Health Service rate, it is higher than the Northern Ireland Civil Service rate (paragraph 36).

- In 2008-09, long term absence in councils represents 65 per cent of the total time lost due to absenteeism and costs £10.0 million in lost productivity. While this is an improvement of £0.8 million from last year, we recommend that particular attention is paid to the management of long term absence when councils benchmark their absenteeism management practices (paragraphs 42, 43 and 44).

Causes of absence in councils

- In 2008-09 all councils reported summary information on the causes of absence including, for the first time, Derry City Council (paragraph 45).
- While *stress, depression, mental health and fatigue* remains the largest cause of days lost due to absenteeism (23 per cent), the 2008-09 figure represents a one per cent fall from the previous year. Lost productivity due to stress-related absenteeism has fallen from £3.9 million in 2007-08 to £3.5 million in 2008-09. Absences due to this cause of illness last more than five weeks on average (paragraphs 46 and 51).
- There was little variation in the causes of absence in Northern Ireland councils between 2007-08 and 2008-09 (paragraph 48).

Absenteeism policies in councils

- All councils have a written absenteeism policy with the exception of Magherafelt District Council. However, we recommend all councils including Magherafelt District Council should establish written absenteeism policies which are subject to councillor approval and published for the benefit of ratepayers, electors and council staff. We recommend that councils monitor adherence to their policies and revise them when necessary (paragraphs 53 and 55).



- The number of councils periodically informing staff of absence levels has increased from 14 in 2007-08 to 20 in 2008-09. It is our view that councils should make all staff aware of absence statistics on a regular basis to emphasise the importance of absenteeism and the effect it has on council services (paragraph 57).
- 20 councils have implemented a stress or mental health policy. As stress-related absence remains the single largest cause of days lost due to 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 58 and 59).

Absenteeism targets in councils

- There is currently no requirement for Northern Ireland councils to set long term targets for the reduction of absenteeism. In 2008-09, 20 of the 26 councils had established corporate or departmental level targets for managing absenteeism rates (paragraphs 61 and 62).
- Of the 20 councils with absenteeism reduction targets in place for 2008-09, 13 indicated to us that they notified staff of the target. As with past absenteeism performance we recommend future targets are communicated to staff (paragraph 66).
- We recommend that councils with higher absenteeism rates should benchmark their management practices against councils with lower absenteeism rates (paragraph 20). This should include the establishment and monitoring of targets which, over an established 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 68).
- Of the 20 councils with established absenteeism reduction targets, 15 indicated their target had been approved by councillors. Given the importance of absenteeism management, and the potential

productivity gains arising from falling absenteeism rates, we recommend that the absenteeism policies established by councils should be approved at the highest level (paragraph 69).

- It is disappointing to note that in a period of improving absenteeism only 7 of the 20 councils were able to meet the 2008-09 absenteeism target they had set. Councils should ensure the targets set for absenteeism are challenging but at the same time realistic (paragraph 70).

Absenteeism data in councils

- We asked for completed absenteeism data questionnaires to be returned by 30 June 2009. Fifteen councils had submitted responses on or before this date. Castlereagh Borough Council was again the last council to submit a return on 20 August 2009, more than 7 weeks after the due date (paragraphs 71 and 72).
- We recommend that all councils should ensure absenteeism data is compiled on a timely basis and its accuracy tested (paragraph 73).
- 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 75).
- In general we noted an improvement in the quality of absenteeism data presented by councils. We commend those councils who provided us with good quality absenteeism information by 30 June 2009. This improvement has enabled the earlier publication of this report (11 December 2009 as opposed to 9 January 2009 for the 2007-08 report) (paragraphs 73 and 77).



Northern Ireland Audit Office

Report



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 rate¹ derived for the period. This counters the impact of annual fluctuations in absenteeism which could distort our findings, particularly within smaller councils (paragraph 27). 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 2006 to March 2009². Absenteeism rates calculated for the previous three-year period, April 2003 to March 2006, allow comparisons between the two periods to be made.

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

Average annual absenteeism rates for 2006-09 range from 7.25 to 19.30 days. The rates for seven councils are more than double the lowest rate.

	Three-year period 2003-06 (days)	Three-year period 2006-09 (days)	Movement (days)
Magherafelt District Council	9.44	7.25	-2.19
Armagh City and District Council	10.91	8.26	-2.65
Lisburn City Council	9.94	8.78	-1.16
Fermanagh District Council	8.36	9.70	1.34
Castlereagh Borough Council	10.39	10.74	0.35
Cookstown District Council	14.27	11.10	-3.17
Omagh District Council	15.03	12.03	-3.00
Antrim Borough Council	13.58	12.28	-1.30
Newtownabbey Borough Council	12.77	12.30	-0.47
Strabane District Council	10.15	12.33	2.18
Limavady Borough Council	14.82	12.58	-2.24
North Down Borough Council	13.38	12.59	-0.79
Down District Council	11.16	12.70	1.54
Ballymena Borough Council	10.09	13.00	2.91
Banbridge District Council	11.71	13.07	1.36
Belfast City Council	16.11	13.38	-2.73
Dungannon and South Tyrone Borough Council	12.15	13.48	1.33
Ards Borough Council	13.65	13.59	-0.06
Newry and Mourne District Council	19.05	14.47	-4.58
Double the lowest rate (Magherafelt District Council)		14.50	
Coleraine Borough Council	14.04	14.64	0.60
Ballymoney Borough Council	15.17	15.37	0.20
Craigavon Borough Council	17.34	17.43	0.09
Moyle District Council	14.46	17.65	3.19
Derry City Council	17.33	17.79	0.46
Larne Borough Council	20.27	17.86	-2.41
Carrickfergus Borough Council	18.78	19.30	0.52

Source: Northern Ireland councils



3. With 7.25 days, Magherafelt District Council had the lowest average annual absenteeism rate for the 2006-09 period. The equivalent absenteeism rates for seven councils (Carrickfergus Borough Council (19.30 days), Larne Borough Council (17.86 days), Derry City Council (17.79 days), Moyle District Council (17.65 days), Craigavon Borough Council (17.43 days), Ballymoney Borough Council (15.37 days) and Coleraine Borough Council (14.64 days)) were more than double the rate recorded in Magherafelt District Council.
4. The council with the highest average annual absenteeism rate was Carrickfergus Borough Council with 19.30 days for the 2006-09 period.
5. The council that experienced the largest increase in its average annual absenteeism rate was Moyle District Council. The rate of 17.65 days recorded for the 2006-09 period is 3.19 days more than the 2003-06 rate of 14.46 days. The other councils that recorded an increased average annual absenteeism rate of more than two days were Ballymena Borough Council and Strabane District Council, with increases of 2.91 and 2.18 days respectively.
6. Of the 13 councils showing an improvement over the two periods, Newry and Mourne District Council improved most with a reduction in its absenteeism rate of 4.58 days. At this council the average annual absenteeism rate reduced from 19.05 days in 2003-06 to 14.47 days in 2006-09. Notable reductions were also recorded in Cookstown District Council (3.17 days) and Omagh District Council (3.00 days).
7. Within the three-year period 2006-09, 12 councils recorded a year-on-year reduction in absenteeism. In the case of seven of these councils the reduction between 2006-07 and 2008-09 exceeds 20 per cent. Only four councils experienced a year-on-year increase in absenteeism rates between 2006-07 and 2008-09.
8. The average annual staff cost for each council for the 2006-09 period is set out in Figure 2. By applying the three-year average absenteeism rates (Figure 1) to these figures, we have derived the average annual lost productivity arising for each council. They range from £147,000 in Magherafelt District Council to £4.1 million in Belfast City Council. Had all councils matched the lowest average annual absenteeism rate of 7.25 days recorded by Magherafelt District Council, a total of £7.2 million a year could have been gained in productivity (Figure 2 and Appendix I).
9. 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 Carrickfergus Borough Council a reduction in absenteeism rate, from the current rate of 19.30 days to 7.25 days, would lead to potential productivity gains of £268,000, equivalent to 5.4 per cent of staff costs.

1 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.

2 Average annual absenteeism rates for April 2005 to March 2008 were reported in *Absenteeism in Northern Ireland Councils 2007-08* [PC2440 01/09]. These rates have not been compared with the periods 2003-06 and 2006-09, included in this report, due to their overlapping nature.

Report

2 Average annual staff costs and associated potential gains in productivity for each Northern Ireland council (2006-09) if the lowest absenteeism rate was equalled

Annual gains of £7.2 million in productivity could be made if all councils matched the lowest absenteeism rate reported by Magherafelt District Council.

	Average annual staff costs 2006-09 (£'000)	Average annual lost productivity 2006-09 (£'000)	Average annual potential productivity gains based on an absenteeism rate of 7.25 days (% of staff costs)	Average annual potential productivity gains based on an absenteeism rate of 7.25 days (£'000)
Magherafelt District Council	4,544	147	-	-
Armagh City and District Council	8,127	301	0.5	37
Lisburn City Council	12,636	498	0.7	87
Fermanagh District Council	7,106	308	1.1	78
Castlereagh Borough Council	9,433	452	1.6	147
Cookstown District Council	5,369	263	1.7	91
Omagh District Council	7,531	406	2.1	161
Antrim Borough Council	7,526	400	2.2	164
Newtownabbey Borough Council	10,465	601	2.4	247
Strabane District Council	5,020	275	2.3	113
Limavady Borough Council	4,135	230	2.3	97
North Down Borough Council	9,664	542	2.4	230
Down District Council	8,119	466	2.5	200
Ballymena Borough Council	7,693	446	2.6	197
Banbridge District Council	5,060	296	2.6	132
Belfast City Council	69,334	4,102	2.7	1,879
Dungannon and South Tyrone Borough Council	7,170	435	2.8	201
Ards Borough Council	9,853	627	3.0	293
Newry and Mourne District Council	11,424	744	3.2	371
Coleraine Borough Council	8,849	585	3.3	295
Ballymoney Borough Council	3,317	227	3.6	120
Craigavon Borough Council	13,565	1,079	4.6	630
Moyle District Council	3,281	253	4.5	149
Derry City Council	16,319	1,319	4.8	781
Larne Borough Council	4,827	385	4.7	229
Carrickfergus Borough Council	4,930	429	5.4	268
Total				7,197

Source: Chief Local Government Auditor (see Appendix 1)



3 Changes in average annual productivity for each Northern Ireland council resulting from a comparison of 2003-06 and 2006-09 absenteeism rates

Changes in average annual productivity resulting from a comparison of 2003-06 and 2006-09 absenteeism rates range from a gain in Belfast City Council of £838,000 to a loss in Ballymena Borough Council of £100,000.

	Average absenteeism rate for the 2006-09 period (days) (Figure 1)	Average annual staff costs 2006-09 (£'000) (Figure 2)	Movement in three-year rate from 2003-06 to 2006-09 (days) (Figure 1)	Average annual increased productivity gain/loss based on 2006-09 costs using 2003-06 rate (£'000)
Magherafelt District Council	7.25	4,544	-2.19	45
Armagh City and District Council	8.26	8,127	-2.65	97
Lisburn City Council	8.78	12,636	-1.16	66
Fermanagh District Council	9.70	7,106	1.34	-43
Castlereagh Borough Council	10.74	9,433	0.35	-14
Cookstown District Council	11.10	5,369	-3.17	75
Omagh District Council	12.03	7,531	-3.00	101
Antrim Borough Council	12.28	7,526	-1.30	42
Newtownabbey Borough Council	12.30	10,465	-0.47	23
Strabane District Council	12.33	5,020	2.18	-49
Limavady Borough Council	12.58	4,135	-2.24	41
North Down Borough Council	12.59	9,664	-0.79	34
Down District Council	12.70	8,119	1.54	-57
Ballymena Borough Council	13.00	7,693	2.91	-100
Banbridge District Council	13.07	5,060	1.36	-31
Belfast City Council	13.38	69,334	-2.73	838
Dungannon and South Tyrone Borough Council	13.48	7,170	1.33	-43
Ards Borough Council	13.59	9,853	-0.06	3
Newry and Mourne District Council	14.47	11,424	-4.58	236
Coleraine Borough Council	14.64	8,849	0.60	-24
Ballymoney Borough Council	15.37	3,317	0.20	-3
Craigavon Borough Council	17.43	13,565	0.09	-5
Moyle District Council	17.65	3,281	3.19	-46
Derry City Council	17.79	16,319	0.46	-34
Larne Borough Council	17.86	4,827	-2.41	52
Carrickfergus Borough Council	19.30	4,930	0.52	-12

Source: Chief Local Government Auditor (see Appendix 2)

10. At Figure 3 and Appendix 2 we have estimated the gain or loss in average annual productivity resulting from the change in council absenteeism rates

between the 2003-06 and 2006-09 periods, as shown in Figure 1.

Report

11. With £69.3 million of staff costs, the reduction by Belfast City Council in its absenteeism rate of 2.73 days between 2003-06 and 2006-09 has led to an average annual productivity gain of £838,000. Although Newry and Mourne District Council has much smaller staff costs (£11.4 million), the 4.58 day reduction in its absenteeism rate over the same period represents an average annual productivity gain of £236,000.
12. Moyle District Council's increased absenteeism rate of 3.19 days between 2003-06 and 2006-09 represents an average annual productivity loss of £46,000 for the Council. Although Ballymena Borough Council had a marginally smaller increase in its absenteeism rate (2.91 days), with staff costs more than double those of Moyle District Council, the average annual productivity loss of £100,000 is the largest recorded by any Northern Ireland council.
13. At paragraph 46 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 almost one quarter of total days lost. Figure 4 sets out for all councils the proportion of absenteeism caused by stress-related absence in the period 2006-09.
14. In Ballymoney Borough Council, 47 per cent of total days lost due to absenteeism was caused by *stress, depression, mental health and fatigue*. This is more than four times the rate of stress-related absence recorded in Magherafelt District Council, Fermanagh District Council, North Down Borough Council and Armagh City and District Council.
15. Further commentary on each council's three-year average annual absenteeism is at Appendix 3.
16. In the short term, it is unlikely that lower absenteeism rates would result in reduced staff costs for councils through a reduction in staff numbers. However, lower absenteeism rates would give rise to increased productivity due to higher levels of attendance. Hence the comparisons between

4 Three-year average proportion of days lost due to stress, depression, mental health and fatigue for each Northern Ireland council (2006-09)

The average proportion of days lost due to stress-related absence ranges from 10 to 47 per cent.

Proportion of days lost due to stress, depression, mental health and fatigue (%)

Ballymoney Borough Council	47
Larne Borough Council	31
Craigavon Borough Council	31
Castlereagh Borough Council	30
Strabane District Council	26
Derry City Council*	26
Omagh District Council	24
Down District Council	23
Belfast City Council	23
Ballymena Borough Council	23
Coleraine Borough Council	23
Moyle District Council	22
Carrickfergus Borough Council	22
Antrim Borough Council	22
Limavady Borough Council	21
Newry and Mourne District Council	21
Ards Borough Council	20
Banbridge District Council	19
Cookstown District Council	16
Lisburn City Council**	15
Dungannon and South Tyrone Borough Council	13
Newtownabbey Borough Council	13
Armagh City and District Council	11
North Down Borough Council	11
Fermanagh District Council	11
Magherafelt District Council	10

* Information on causes of absence was not available for 2006-07 and 2007-08 (based on 1 year).

** Information on causes of absence was not available for 2006-07 (based on 2 years).

Source: Northern Ireland councils



councils consider the potential for gains in productivity (paragraph 8). In the longer term, councils should have the option of either maintaining increased levels of productivity or alternatively reducing staff numbers and costs.

17. An immediate benefit of lower absenteeism should be a tangible reduction in overtime and temporary staff costs. We recommend councils monitor these costs to ensure that falling absenteeism is reflected in cost reductions. Similarly we recommend that councils with increasing absenteeism rates should monitor the additional costs resulting through overtime and the employment of temporary staff.
18. 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, appears 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. Similarly, there appears to be no relationship between the political control of councils and absenteeism.
19. One factor which does vary between councils is the management of absenteeism. This report addresses three absenteeism management issues at a high level: policies (paragraphs 53 to 60); targets (paragraphs 61 to 70); and data (paragraphs 71 to 77). Our review is not detailed enough to link specific management practices with absenteeism rates or causes of absence but research elsewhere³ has shown the significant impact that effective management has in reducing absenteeism.
20. 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. We have noted cases where such

benchmarking is in progress and where increased management attention to absenteeism has been matched by reductions in absenteeism rates. To further assist this process we have included case studies in our report. These illustrate aspects of absenteeism management practice, currently applied in some of the Northern Ireland councils, with absenteeism rates which have either fallen or have been consistently low.

21. We recognise that line managers have a key role to play if a council is to implement effective absenteeism management procedures. Several councils informed us that they provide line managers with specific absenteeism management training, to enable them to perform their role to a higher standard and to promote consistency across their organisations. Ensuring line managers are equipped to be an effective part of a council's processes to address absenteeism should be a particular priority for those councils with high or rising absenteeism rates. The most frequent change in council practices, noted in the case studies included in this report, is the increased involvement of both senior and line management in the oversight of absenteeism.
22. 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 in line with the lowest rates found in Northern Ireland councils remains important for the following reasons:
 - the existing 26 councils should maximise staff productivity over their remaining lifetime; and
 - the 11 new councils, introduced following implementation of the Review of Public Administration (RPA), should inherit management practices which reflect the lowest absenteeism rates within the existing 26 councils.

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

Report

23. The Department of the Environment has issued guidance to councils on the establishment of Transition Committees and Transition Management Teams to assist the implementation of RPA reforms. The current 26 district councils will be merged into 11 councils from 2011. Transition Committees and supporting Management Teams have been established for each of the 11 post-RPA councils. This process offers the opportunity for councils joining together to assess their differing absenteeism management practices and ensure good practice can be extended from the better performing pre-RPA councils to the 11 post-RPA councils.
24. The impact of carrying forward varying absenteeism rates from the existing 26 councils to the 11 new councils, following reorganisation, is potentially significant. Based on the period 2006-09 we estimate that there would be a productivity difference of £3.65 million if the 11 post-RPA councils can achieve the lowest absenteeism rate currently found in their constituent councils, as opposed to the highest rate (Figure 5). This estimate takes no account of the additional central government staff who will transfer to district councils as part of the wider RPA reforms.

5 Impact of potential differences in absenteeism rates following Review of Public Administration (RPA) mergers (based on 2006-09 absenteeism rates)

There would be a productivity difference of £3.65 million if the 11 post-RPA councils can achieve the lowest absenteeism rate currently found in their constituent councils, as opposed to the highest rate.

	Rate (days)	Projected cost of absenteeism (£m)
Absenteeism if post-RPA 11 councils move to worst rate currently found in pre-RPA constituent councils	14.74	17.35
Absenteeism if post-RPA 11 councils move to best rate currently found in pre-RPA constituent councils	11.17	13.70
Productivity difference of RPA impacting positively / negatively on existing council absenteeism rates	3.57	3.65
Source: Northern Ireland councils		



Case study

Cookstown District Council

At Cookstown District Council the average annual absenteeism rate fell by 3.17 days from 14.27 days in the period 2003-06 to 11.10 days in the period 2006-09. This represents an average annual productivity gain of £75,000. Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism comprising a 33 per cent reduction in total.

The Council informed us of recent changes to its absenteeism management practices:

- A new Attendance Management Policy, written to maximise clarity and understanding by all parties, was introduced during 2008-09. This followed an internal review of sickness absence procedures and extensive consultation with senior management and the unions. The policy places the focus on attendance rather than absence and emphasises the responsibility of management to ensure compliance is achieved.
- An audit of management and staff compliance with the policy requirements is carried out on a monthly basis. This audit seeks to ensure that reviews of employee absence thresholds have been performed and all appropriate documentation has been received and actioned, including the completion of return to work interview forms.
- Attendance is now considered as a standing agenda item at Senior Management Team meetings, the Corporate Risk Management Committee and the Audit and Risk Committee. The focus on managing attendance has intensified throughout the Council.

Report

25. We appreciate there are a range of pressing issues to be addressed by the Transition Committees and their Management Teams. Given that staff costs (£280 million in 2008-09) represent nearly 40 per cent of council expenditure, and the impact that reduced rates of absenteeism can have on the efficiency of staff resources, it is our view that absenteeism management should not be overlooked. To support Transition Committee analysis we have compiled, for the first time, absenteeism rates on a post-RPA council basis from the current rates recorded in the existing 26 councils (Figure 6).
26. Clearly the council mergers have yet to take place, and as shown in paragraph 24, there is much scope for absenteeism rates to be impacted upon by the change. However, Figure 6 provides the means for absenteeism analysis, on a post-RPA basis, to commence now. Transition Committees and their Management Teams, as well as post-RPA councils, should monitor changes in absenteeism both up to and immediately after the reorganisation, using the rates at Figure 6 as a starting point. Consequently the following comparisons can be made:
 - between the absenteeism rates recorded in post-RPA councils; and
 - between the absenteeism rates recorded within post-RPA councils and the rates which had been recorded in their constituent pre-RPA councils.
27. References to Northern Ireland councils in the remaining sections of this report 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.

6 Three-year average annual absenteeism rates for each Northern Ireland post-RPA council based on current pre-RPA council absenteeism rates

Average annual absenteeism rates for 2006-09 range from 9.59 to 16.41 days.

	Three-year period 2006-09
Lisburn City and Castlereagh District Council	9.59
Fermanagh and Omagh District Council	10.89
Mid Ulster District Council	11.12
Antrim and Newtownabbey District Council	12.29
Ards and North Down District Council	13.08
Belfast City District Council	13.38
Newry City and Down District Council	13.73
Armagh and Bann District Council	13.90
Causeway Coast District Council	14.81
Mid Antrim District Council	16.01
Derry City and Strabane District Council	16.41

Sources:

- Post-RPA council names: The Final Recommendations Report of the Local Government Boundaries Commissioner (26 June 2009)
- Data: Chief Local Government Auditor



Absenteeism for the sector as a whole

28. The 26 Northern Ireland councils employed a total of 9,753 full time equivalent staff in 2008-09. During this period over 121,000 working days were lost as a result of sickness absence. This represents an average absenteeism rate of 12.43 days⁴, or two and a half weeks of absence, for each employee during 2008-09 (Figure 7).
29. The 2008-09 absenteeism rate reflects a significant reduction of 1.27 days (9 per cent) when compared to the 2007-08 rate of 13.70 days. The current absenteeism rate for all Northern Ireland councils is now lower than any annual rate recorded this decade and is a reduction of 2.24 days (15 per cent) from the peak recorded in 2002-03. Increased staff efficiency will be particularly welcome for councils given the current economic climate. (Figure 8).

7 Combined absenteeism data for the 26 Northern Ireland councils (2007-08 and 2008-09)

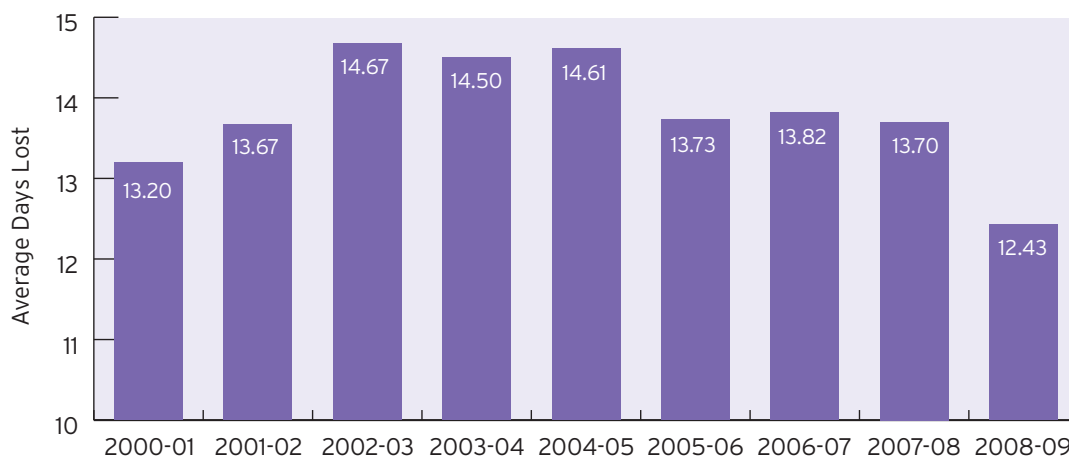
The 2008-09 absenteeism rate reduced to 12.43 days.

	2007-08	2008-09
Potential working days available	2,121,133	2,182,756
Number of full time equivalent employees	9,551	9,753
Days lost due to absence	130,849	121,214
Lost productivity rate (per cent)	6.17	5.55
Average absenteeism rate (days)	13.70	12.43

Source: Northern Ireland councils

8 Northern Ireland council absenteeism rates since 2000-01

The absenteeism rate for 2008-09 is 1.27 days (9 per cent) lower than 2007-08 and 2.24 days (15 per cent) lower than the peak rate in 2002-03.



Source: Chief Local Government Auditor

⁴ The average absenteeism rate for 2008-09 is the mean rate for all 9,753 full time equivalent staff in Northern Ireland councils. The median absenteeism rate across all 26 councils for 2008-09 is 13.02 days.

Report

9 Comparison of the cost of absenteeism in Northern Ireland councils (2007-08 and 2008-09)

The projected 2008-09 cost of absenteeism is £15.5 million.

	2007-08	2008-09
Average absenteeism rate (days)	13.70	12.43
Lost productivity rate (per cent)	6.17	5.55
Gross staff costs (£m)	267	280
Projected cost of absenteeism (£m)	16.4	15.5

Source: Northern Ireland councils

30. There has been a five per cent increase in gross staff costs in Northern Ireland councils, from £267 million in 2007-08 to £280 million in 2008-09. Two main factors resulted in this rise of £13 million:
 - councils employed an additional 202 full time equivalent staff;
 - some councils implemented revised grading agreements.
31. Even though staff costs have increased, when combined with the significant reduction in the 2008-09 absenteeism rate, the result has been a £0.9 million reduction in the cost of lost productivity due to absence in Northern Ireland councils from £16.4 million in 2007-08 to £15.5 million in 2008-09 (Figure 9).



Case study

Larne Borough Council

At Larne Borough Council the average annual absenteeism rate fell by 2.41 days from 20.27 days in the period 2003-06 to 17.86 days in the period 2006-09. This represents an average annual productivity gain of £52,000. Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism comprising a 46 per cent reduction in total.

The Council informed us of recent changes to its absenteeism management practices:

- At a staff information evening in June 2008 the Council introduced two new policies.
 - The Physiotherapy Policy enables employees experiencing musculoskeletal difficulties to receive physiotherapy treatment quickly. In many instances this speeds up recovery time and allows employees to either remain in work or return to work earlier than might have been the case.
 - The Well Being at Work Policy is designed to address stress issues. Line managers can use the policy to establish those factors acknowledged by the employee to be causing stress. Measures can then be taken to address the identified causes of stress and so facilitate a quicker return to work.
- Absence Management Meetings are held monthly with the Chief Executive, directors and line managers. This has improved communication on all levels in relation to absenteeism at the Council, with discussion around general absence factors and employees absent at that time within their departments. Absence Consultation Meetings take place with the employee, their line manager and a Human Resources representative after the employee has attended the Occupational Health Doctor at the Council's request. In most circumstances the Occupational Health appointment occurs after four weeks of absence. In certain circumstances the Absence Consultation Meeting may be supplemented or substituted by a home visit. These meetings allow the Council to gain a greater understanding of the absence, determine how assistance may be provided, and maintain contact with the employee. As a result, line managers have placed more emphasis on absence management issues.
- On occasion, information on an employee's reason for absence is obtained directly from their General Practitioner, following written approval from the employee, in order to make a proper assessment of the absence. The additional information can clarify what action can be taken to benefit the employee as well as the Council.
- Elected members are supportive of the measures taken to manage absenteeism and are regularly informed of absence levels.

Report

32. Due to several factors council staff costs have risen year-on-year and this continued to be the case in 2008-09. Despite a relatively static absenteeism rate in 2007-08, increased staff costs meant that the cost of lost productivity continued to rise. The reduction in the 2008-09 rate, however, has been so significant that it has reversed this trend and prompted the £0.9 million fall in the cost of absenteeism. Consequently councils have, in 2008-09, recorded the first ever fall in the cost of absenteeism since this data has been compiled (Figure 10).
33. Although we recommend absenteeism performance should be benchmarked against others, the most

important comparisons are to be made with performance in the same organisation or sector over time. Reflecting the significant reduction in the absenteeism rate for the sector as a whole, annual absenteeism rates for 2008-09 fell in 20 councils when compared to 2007-08. The extent of these reductions ranged from 2 to 24 per cent. In no other year during this decade has there been such a large number of councils with a reduction in absenteeism rates. In the six councils where absenteeism rates increased in 2008-09, these increases ranged from 1 to 17 per cent.

10 Cost of absence in Northern Ireland councils since 2000-01⁵

Councils have, in 2008-09, recorded the first ever fall in the cost of absenteeism since this data has been compiled.



Source: Chief Local Government Auditor

⁵ These costs have not been adjusted to take account of inflation.



34. Across the Northern Ireland councils, 40 per cent full time equivalent employees (3,941) had no absence during 2008-09. This represents a marked increase from the 37 per cent recorded in 2007-08 when we first reported these figures. Nineteen councils showed a year-on-year improvement.
35. When examining each council's performance we have derived the average annual rate for staff with no absence from 2007-08 and 2008-09 figures. There remains considerable variation between councils, ranging from Strabane District Council (24 per cent) to Armagh City and District Council (57 per cent) (Figure 11).

11 Annual average proportion of full time equivalent staff with no absence in each Northern Ireland council (2007-09)

Annual average proportion of full time equivalent staff with no absence in 2007-09 ranges from 24 to 57 per cent.

	Annual average proportion of staff with no absence 2007-09 (%)
Armagh City and District Council	57
Lisburn City Council	54
Castlereagh Borough Council	52
Down District Council	46
Antrim Borough Council	46
Larne Borough Council	46
Magherafelt District Council	44
Ballymena Borough Council	44
Craigavon Borough Council	42
Omagh District Council	41
Ballymoney Borough Council	41
Fermanagh District Council	39
Derry City Council	38
Moyle District Council	37
Newtownabbey Borough Council	36
Cookstown District Council	36
Banbridge District Council	36
Belfast City Council	35
Coleraine Borough Council	35
Newry and Mourne District Council	33
North Down Borough Council	33
Carrickfergus Borough Council	33
Limavady Borough Council	33
Dungannon and South Tyrone Borough Council	30
Ards Borough Council	27
Strabane District Council	24

Note that a two-year average is used instead of a three-year average as is the case in the rest of the report when examining individual councils. These figures were first reported in 2007-08.

Source: Northern Ireland councils

Report

36. The absenteeism rate for Northern Ireland councils as a sector is lower than both the Northern Ireland Housing Executive rate and the Northern Ireland Health Service rate, but higher than the Northern Ireland Civil Service rate (Figure 12). Statistics for the Northern Ireland Civil Service do not include the small proportion of staff designated as industrial staff.
37. The reduction in the 2008-09 Northern Ireland council absenteeism rate has narrowed the gap with

the latest available figures (2007-08) for local authorities in England and Wales. Public sector absenteeism across the UK is generally recorded at higher levels than the private sector.

38. As was the case when comparing one council with another, absenteeism comparisons for the sector as a whole consider the potential for gains in productivity.

12 Absenteeism rates in relevant employment sectors⁶

The 2008-09 absenteeism rate for Northern Ireland councils is lower than that of the Northern Ireland Housing Executive and the Northern Ireland Health Service but higher than the rate for the Northern Ireland Civil Service.

	2007-08 (days)	2008-09 (days)
Northern Ireland Housing Executive ⁷	14.8	13.2
Northern Ireland Health Service ⁸	13.8	12.8
Northern Ireland councils	13.7	12.4
Northern Ireland Civil Service ⁹	12.9	11.0
England and Wales local authorities ¹⁰	9.4	-
UK Economy ¹¹	6.7	-

Source: Chief Local Government Auditor

⁶ There is no single rate available for the Northern Ireland Education and Library Boards. Comparisons have not been made with the education sector at this time.

⁷ Northern Ireland Housing Executive: 38th Annual Report 1 April 2008 to 31 March 2009.

⁸ Department of Health, Social Services and Public Safety: Base information from Monitoring of Human Resource Activity reports (available at www.dhsspsni.gov.uk); days lost figures calculated by Northern Ireland Audit Office.

⁹ Northern Ireland Statistics and Research Agency: *Analysis of Sickness Absence in the NI Departments 2008/2009*.

¹⁰ Audit Commission: BVPI 12 2007-08 (available at www.auditcommission.gov.uk). There were no publicly available reports on absence in England & Wales Local Authorities for 2008-09.

¹¹ Confederation of British Industry: *At work and working well? (Absence and labour turnover survey 2008)*. The report for the calendar year 2007 is based on a survey of 503 employers with over 1 million employees in total, equivalent to 3.6 per cent of the UK workforce.



Case study

North Down Borough Council

At North Down Borough Council the average annual absenteeism rate fell by 0.79 days from 13.38 days in the period 2003-06 to 12.59 days in the period 2006-09. This represents an average annual productivity gain of £34,000.

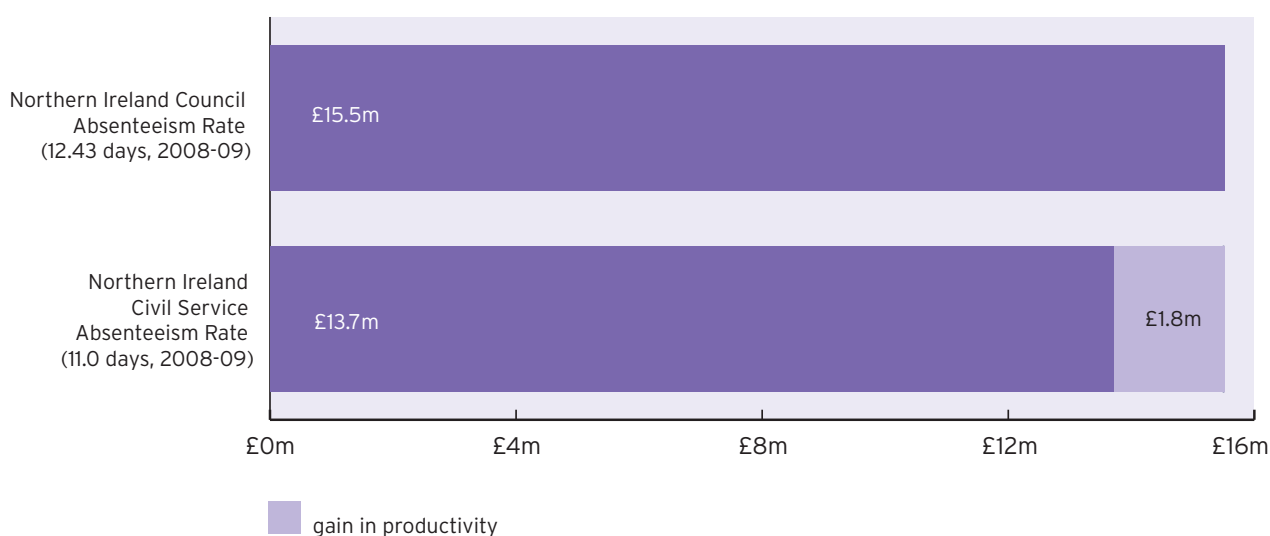
The Council informed us of recent changes to its absenteeism management practices:

- The Council places continued emphasis on the fact that management of absenteeism is a line management function, supported by Human Resources. This is encouraged through regular training for line managers, including specific training in return to work interview skills and regular review of supporting paperwork. The senior management team also monitors council wide attendance rates on a quarterly basis.
- There are flexible arrangements for employees returning from long term sickness absence. For example, arrangements can be made for a phased return and duties might be adjusted for a short period on return if required. These initiatives often encourage a quicker return to work after long term absence. Return to work following maternity leave is formally managed by Human Resources with Occupational Health support so that all reasonable adjustments can be considered to facilitate a successful return including family friendly leave arrangements and flexible working initiatives.

Report

13 Comparison of the costs of absenteeism against the Northern Ireland Civil Service

Reducing the Northern Ireland council absenteeism rate to that of the Northern Ireland Civil Service would result in a gain of £1.8 million in productivity.



Source: Chief Local Government Auditor

39. Reducing the Northern Ireland council absenteeism rate to that of the Northern Ireland Civil Service would have resulted in a gain of £1.8 million on council productivity (Figure 13), or 62 more staff in post throughout the year at no additional cost.
40. 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 2008-09 absences were long term (Figure 14), a decrease from 12 per cent reported in 2007-08. Councils reported that 31 employees had been on long term sickness absence for more than 12 months.

14 Analysis of 2008-09 absences in Northern Ireland councils by duration

11 per cent of absences were long term.

	Short Term	Long Term	All Absences
Days lost due to absence	42,807	78,407	121,214
Number of absences	11,442	1,438	12,880
Average length of an absence (days)	4	55	9
Days lost due to absence (per cent)	35	65	100
Absences (per cent)	89	11	100

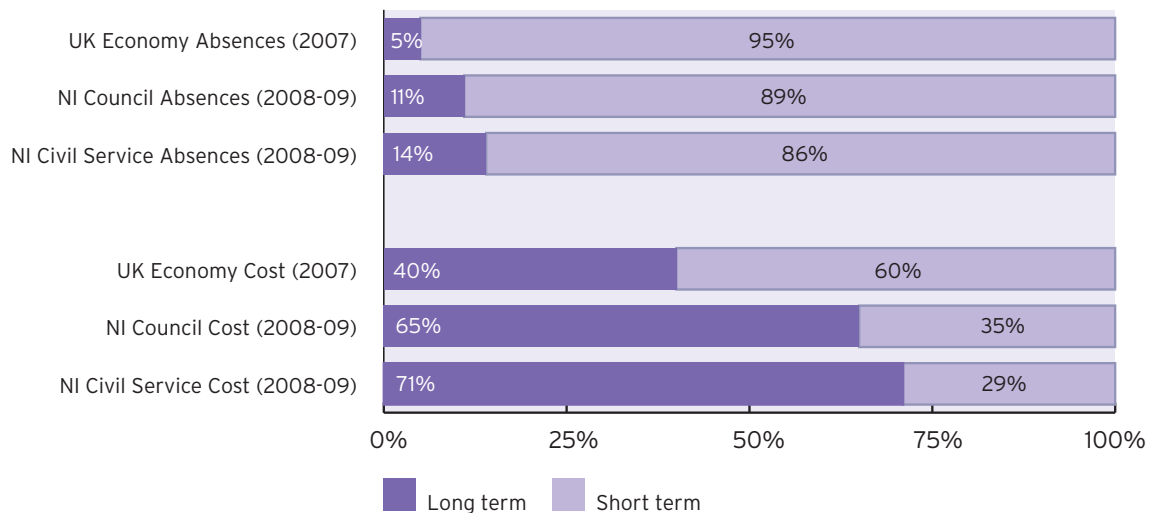
Source: Northern Ireland councils



41. In the UK economy¹², five per cent of absences were classified as long term, which is less than half of the Northern Ireland council rate (Figure 15).
42. The larger proportion of long term absences in councils has a significant impact on the cost of absenteeism. In the UK economy, long term absence represents 40 per cent of the total time lost due to absence. In Northern Ireland councils, 65 per cent of the total time lost due to absence in 2008-09 was as a result of long term absence. The proportional cost of long term absence in the Northern Ireland Civil Service (71 per cent) is higher than that found in Northern Ireland councils. The issue of managing long term absences would appear to extend beyond councils into other parts of the Northern Ireland public sector.
43. In 2008-09, long term absences cost councils £10.0 million in lost productivity. If councils reduced the proportion of long term absence to the average five per cent rate found in the UK economy, the cost of long term absence could be reduced by £4.5 million.
44. At paragraph 20 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.

15 Proportion of absences and their associated cost by duration

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



Source: Chief Local Government Auditor

12 Confederation of British Industry: *At work and working well?* (Absence and labour turnover survey 2008)

Report

Causes of absence in councils

45. Councils were asked to categorise absences by cause, based on a classification developed by Local Government Employers¹³. In 2008-09 all councils reported summary information on the causes of absence including, for the first time, Derry City Council.
46. While *stress, depression, mental health and fatigue* remains the largest cause of days lost due to absenteeism (23 per cent), the 2008-09 figure represents a one per cent fall from the previous year. Lost productivity due to *stress, depression, mental health and fatigue* has fallen by £0.4 million

(over ten per cent) from £3.9 million in 2007-08¹⁴ to £3.5 million in 2008-09 (Figure 16). This reduction accounts for nearly half of the £0.9 million reduction in the total cost of absenteeism (paragraph 31).

47. The causes of absence in Northern Ireland councils have been listed in Figure 16 according to total days lost (commencing with the cause of absence leading to the greatest time lost). As has been the case in previous years the two causes leading to most absenteeism are stress and musculoskeletal problems. This trend is again reflected in Northern Ireland councils, with 40 per cent of days lost due to these illnesses in 2008-09.

16 Lost productivity in Northern Ireland councils by cause of absence (2008-09)

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

	Days lost due to absenteeism	Days lost due to absenteeism (%)	Lost productivity (£m)
Stress, depression, mental health and fatigue	27,716	23	3.5
Musculoskeletal problems	20,832	17	2.7
Other	12,738	11	1.6
Back and neck problems	10,981	9	1.4
Infections	10,955	9	1.4
Stomach, liver, kidney and digestion	10,750	9	1.4
Heart, blood pressure and circulation	7,528	6	1.0
Chest and respiratory	6,205	5	0.8
Eye, ear, nose, mouth and dental	4,571	4	0.6
Neurological	4,067	3	0.5
Pregnancy-related	2,805	2	0.3
Genito-urinary and gynaecological	2,061	2	0.3
Total	121,209	100	15.5

Source: Northern Ireland councils

¹³ 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.

¹⁴ 2007-08 causes of absence figures were based on a projection as one council did not record the information at that time.



Case study

Omagh District Council

At Omagh District Council the average annual absenteeism rate fell by 3.00 days from 15.03 days in the period 2003-06 to 12.03 days in the period 2006-09. This represents an average annual productivity gain of £101,000. Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism comprising a 28 per cent reduction in total.

The Council informed us of recent changes to its absenteeism management practices:

- The Council monitors its policies and introduces adjustments as necessary. The Absence Policy was reviewed and updated during 2008-09.
- A Health and Wellbeing Policy has been drafted to replace the Mental Health Policy introduced in 2007. The new Policy has been developed following the delivery of a training programme entitled “Tackling Stress at Work for Managers” which commenced during 2008-09.
- During 2006 the Council’s Health Promotion Group produced *Investing in Wellbeing at work*, a booklet summarising the set of policies in place, the health promotion initiatives available to staff and a healthy eating guide.
- Employees with no sickness for 5 and 10 years were invited to a staff recognition evening to acknowledge their achievement.

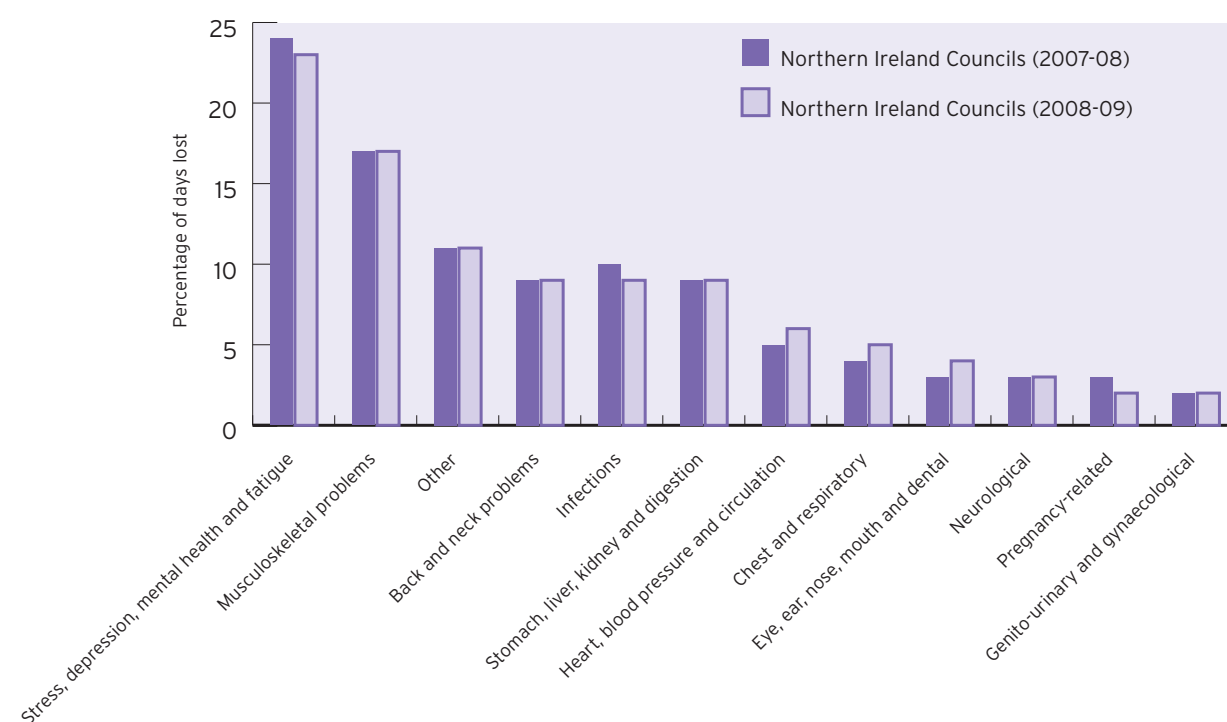
Report

48. There was little variation in the causes of absence in Northern Ireland councils between 2007-08 and 2008-09 (Figure 17). Categories either stayed the same or changed by no more than one per cent.
49. Although the number of absences has fallen by almost 700 to 12,892 in 2008-09 (a reduction of five

per cent), the total number of days lost due to absenteeism has fallen by a larger proportion, from 131,000 to 121,000 (Figure 7). Taken together the result has been that the average duration of an absence has fallen from ten days in 2007-08 to nine days in 2008-09 (Figure 18).

17 Causes of absence in Northern Ireland councils for 2007-08 and 2008-09

Categories either stayed the same or changed by no more than one per cent.



Source: Chief Local Government Auditor



50. For 2008-09, 45 per cent of all absences in Northern Ireland councils were due to either *infections* or *stomach, liver, kidney and digestion illnesses*. The average duration of these absences, three and four days respectively, remains less than all other causes of absence (Figure 18).
51. Absences due to *stress, depression, mental health and fatigue* last 28 working days, equivalent to more than five working weeks. This average has fallen by three days from the average duration reported in 2007-08.
52. A large proportion of councils, 20 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 58.

18 Number of absences recorded by Northern Ireland councils for each cause (2008-09)

Infections and stomach, liver, kidney and digestion ailments cause 45 per cent of all absences.

	Days lost due to absenteeism	Absences	Average duration (days)	Absence (%)
Infections	10,955	3,172	3	25
Stomach, liver, kidney and digestion	10,750	2,626	4	20
Other	12,738	1,276	10	10
Musculoskeletal problems	20,832	1,161	18	9
Stress, depression, mental health and fatigue	27,716	1,004	28	8
Back and neck problems	10,981	874	13	7
Eye, ear, nose, mouth and dental	4,571	845	5	7
Chest and respiratory	6,205	769	8	6
Neurological	4,067	554	7	4
Pregnancy-related	2,805	234	12	2
Genito-urinary and gynaecological	2,061	189	11	1
Heart, blood pressure and circulation	7,528	188	40	1
Totals (2008-09)	121,209	12,892	9	100
Totals (2007-08)	130,849	13,585	10	

Source: Northern Ireland councils

Report

Absenteeism policies in councils

53. All councils have a written absenteeism policy with the exception of Magherafelt District Council. This Council's record of low absenteeism may suggest that a written absenteeism policy is not a pre-requisite to managing absenteeism effectively. However, we recommend all councils including Magherafelt District Council should establish written absenteeism policies which are subject to councillor approval and published for the benefit of ratepayers, electors and council staff. It is our view that the effective communication of absenteeism policies should contain an indication of past performance and future targets (paragraphs 66 and 68).
54. The majority of absenteeism policies state that employees will be subject to an attendance review when their absence exceeds a level set out within the policy. For intermittent absence, these trigger points can vary from 5 to 10 days within a rolling 12 month period. The variance in this threshold does not have any discernable effect on the levels of short term absence reported by councils.
55. Moyle District Council indicated that it does not conduct any form of internal monitoring to ensure its absenteeism policy is applied consistently. We recommend that councils monitor adherence to their policies and revise them when necessary.
56. Councils stated that staff were made aware of their absenteeism policy by a variety of methods, for example:
 - providing new staff members with a copy during their induction session;
 - holding awareness sessions for all staff; and
 - including copies on Council intranet or shared drives.
57. It is encouraging to note that the number of councils periodically informing staff of absence levels has increased from 14 in 2007-08 to 20 in 2008-09. Some councils publish absenteeism information in their monthly staff newsletter; others pass information to line managers to be discussed at team briefing sessions. It is our view that councils should make all staff aware of absence statistics on a regular basis to emphasise the importance of absenteeism and the effect it has on council services.
58. Stress-related absence remains the single largest cause of days lost due to absenteeism in Northern Ireland councils, accounting for 23 per cent of days lost in 2008-09 (paragraph 46). By the beginning of this period, 20 councils had implemented a stress policy to manage this cause of absence in the workplace (an increase of one since 2007-08), and a number of councils have introduced various initiatives during the year including mental health awareness sessions. A typical stress management policy will set out the responsibilities of staff, Human Resources, managers and the Occupational Health Provider.
59. Some councils have stated in their absenteeism policy that in cases where an employee is absent from work due to stress, they will be referred to the Occupational Health Provider immediately. We particularly welcome the action taken by councils to address and promote awareness of stress-related issues in the workplace. It is our view that all councils should be proactive in their management of stress-related absenteeism.
60. An effective and up to date absence policy, applied consistently to all employees, is an important part of the management of absenteeism. At paragraph 53 we have recommended that councils should publish their absenteeism policies. All councils should pay particular attention to ensure that every employee is fully aware of how the policy applies to them.



Case study

Belfast City Council

At Belfast City Council the average annual absenteeism rate fell by 2.73 days from 16.11 days in the period 2003-06 to 13.38 days in the period 2006-09. This represents an average annual productivity gain of £838,000. Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism comprising a 25 per cent reduction in total.

The Council informed us of recent changes to its absenteeism management practices:

- Elected members set annual targets at council, department and service levels and receive quarterly reports on progress. Individual senior managers have been given responsibility for achieving these targets. Chief Officers receive monthly reports with comparisons against target and previous year performance. Absenteeism “hot spots” are identified, subjected to compliance audits and service managers work with Corporate Human Resources to design absence improvement plans. Services found to have gaps in the application of the absence procedures are also targeted to ensure consistent application of the policy.
- The quality and availability of absence reports has improved, based on feedback from the departments, to ensure that managers have the necessary information to take appropriate action in a timely manner. The important issue is that the organisation has up-to-date management information which easily allows identification of the “hot spot” areas. All actions (taken and proposed) are recorded on the system which greatly assists with monitoring that appropriate action is being taken. Priority cases are identified and reports are produced on a weekly basis by Corporate Human Resources.

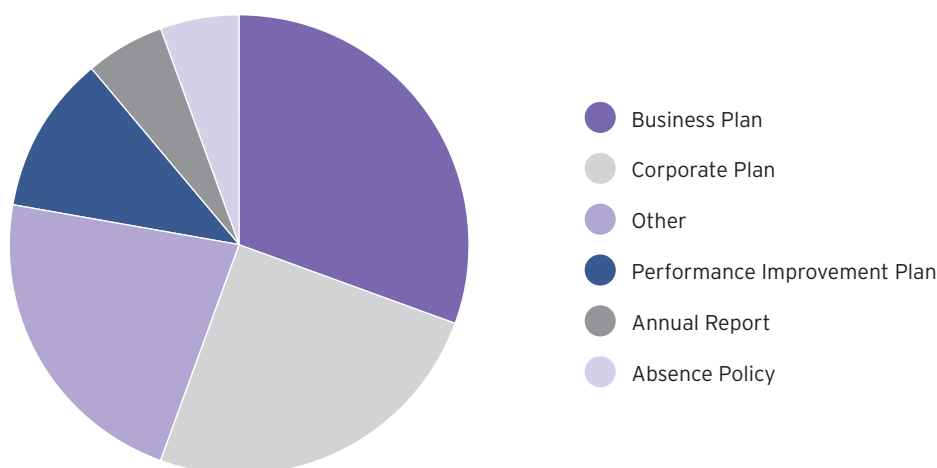
Report

Absenteeism targets in councils

61. 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 departments¹⁵. This involves an overall reduction in sickness absence, from 15.5 days in 2003-04 to 9.5 days by 2009-10, which is approximately a seven per cent reduction target each year over the six-year period.
62. In 2008-09, 20 of the 26 councils had established corporate or departmental level targets for managing absenteeism rates; the same as 2007-08. Only seven councils achieved their set targets, despite 20 councils reporting a fall in absenteeism rates in 2008-09 (paragraph 33).
63. Twelve of the 20 councils set targets to reduce absenteeism to a certain percentage of lost working time, the most common form of target. These ranged from 4.00 per cent to 6.83 per cent. The average reduction reported by the 26 councils for 2008-09 was 5.55 per cent (Figure 7). Of these 12 councils, four (Castlereagh Borough Council, Cookstown District Council, Newtownabbey Borough Council and Omagh District Council) achieved their targets in 2008-09.
64. Of the eight councils using a different base for target setting, three (Belfast City Council, Larne Borough Council and Lisburn City Council) reported their targets had been achieved. All three councils required improvements in 2007-08 rates in order to meet these targets.

19 Where the 20 councils with absenteeism targets record this

The majority of councils with absenteeism targets document these targets in business and corporate plans.



Source: Chief Local Government Auditor

¹⁵ Northern Ireland Statistics and Research Agency: *Analysis of Sickness Absence in the NI Departments 2008-09*



65. Most councils with an absenteeism target include the target in at least one council document, as illustrated in [Figure 19](#). The majority of these councils document their absence targets in business and corporate plans.
66. Of the 20 councils with absenteeism reduction targets in place for 2008-09, 13 indicated to us that they notified staff of the target. This comprised five councils which had achieved their targets and eight councils which had not. As with past absenteeism performance we recommend future targets are communicated to staff.
67. Councils use a variety of methods to communicate their targets to staff:
 - Discussion of targets at team briefing sessions;
 - Provision of target information to new staff members during their induction training;
 - Inclusion of information in staff newsletters and magazines;
 - References in corporate and business planning documents;
 - Dissemination of targets during staff recognition meetings.
68. At paragraph 20 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 an established 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.
69. Of the 20 councils with absenteeism reduction targets in place for 2008-09, 15 indicated their target had been approved by councillors. Given the importance of absenteeism management, and the potential productivity gains arising from falling absenteeism rates, we recommend that the absenteeism policies established by councils should be approved at the highest level.
70. It is disappointing to note that in a period of improving absenteeism only 7 of the 20 councils were able to meet the 2008-09 absenteeism target they had set. Councils should ensure the targets set for absenteeism are challenging but at the same time realistic.

Report

Absenteeism data in councils

71. Data collection questionnaires, seeking details of absenteeism during the financial year to 31 March 2009, were issued to all 26 councils on 29 May 2009. We asked for completed questionnaires to be returned by 30 June 2009. Fifteen councils submitted responses on or before this date. Returned data collection questionnaires were subjected to reasonableness tests to provide assurance on the integrity and consistency of the information presented.
72. Castlereagh Borough Council was again the last council to submit a return on 20 August 2009, more than seven weeks after the due date.
73. We commend those councils who provided us with good quality absenteeism information by 30 June 2009. The apparent inability of some other councils to produce accurate absenteeism statistics within a reasonable period of time remains a matter of concern. This suggests that internally generated absenteeism information is often not available to councils on a timely basis and may not be reliable. Consequently, opportunities to monitor absenteeism and to react promptly may be lost. To assist internal management, and the preparation of our 2009-10 report, we recommend that all councils should ensure absenteeism data is compiled on a timely basis and its accuracy tested.
74. For 2008-09, we visited ten councils and their returns were subjected to more detailed scrutiny. This included the examination of supporting documentation on a sample basis. This examination uncovered cases of missing documentation and inconsistencies in a few of the ten councils, although these were of a minor nature in all councils except Derry City Council.
75. 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.
76. In nine of the ten 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 Derry City Council was rarely able to provide evidence of return to work interviews. Another four councils could not provide evidence for every absence. As the return to work interview has been ranked as the most effective absence management tool in previous reports¹⁶, councils should ensure that, where required, line managers carry out these interviews and formally document them.
77. In general we noted an improvement in the quality of absenteeism data presented by councils. This improvement has enabled the earlier publication of this report (11 December 2009 as opposed to 9 January 2009 for the 2007-08 report).

¹⁶ Up to and including our *Absenteeism in Northern Ireland Councils 2006-07* report [PC2163 01/08] we asked councils annually to rank their most effective absence management tools. We removed this question from subsequent studies due to the unchanging nature of council responses.



Case study

Armagh City and District Council

At Armagh City and District Council the average annual absenteeism rate fell by 2.65 days from 10.91 days in the period 2003-06 to 8.26 days in the period 2006-09. This represents an average annual productivity gain of £97,000.

The Council informed us of recent changes to its absenteeism management practices:

- The introduction of fast-tracked physiotherapy sessions, flu injections and trigger meetings.
 - Appointments can be made with registered physiotherapists for employees who have musculoskeletal problems. The Council is content to meet the costs of such physiotherapy where there is reasonable likelihood that treatment will prevent or reduce a period of sickness absence.
 - Since the introduction of the “Free Flu Jab” scheme in 2007 the number of days lost due to infections has reduced by more than 30 per cent.
 - Line Managers convene trigger meetings with those employees whose absenteeism record breaches trigger points relating to the number of absences and number of days taken as sick leave within a certain period. One of the key triggers is the occurrence of intermittent absences leading to more than nine days in two periods lost in any 12 month period. If no reasonable explanation can be given for the extent of these absences the employee’s absence record is monitored closely going forward. The Council considers such meetings to be particularly useful in circumstances where the employee has had several short term absences. A Human Resources representative and the employee’s Trade Union representative attend these meetings where appropriate.
- The periodic analysis of absences by cause has been used to target those causes most prevalent across the Council. Plans designed to reduce specific causes of absence are formulated by the Human Resources section.



Northern Ireland Audit Office

Conclusions



Conclusions

Conclusions

78. We welcome the substantial fall in the overall Northern Ireland council absenteeism rate to 12.43 days. The current absenteeism rate for all Northern Ireland councils is now lower than any annual rate recorded this decade. The number of days lost due to absenteeism has fallen from 130,849 in 2007-08 to 121,214 in 2008-09, including a fall of over ten per cent in stress-related absence, the largest cause of days lost due to absenteeism. The number of incidents of absence has also reduced in 2008-09 as has the average duration of absence.
79. Council staff costs increased by £13.0 million in 2008-09. When combined with the significant reduction in the annual absenteeism rate, the result has been a £0.9 million reduction in the cost of lost productivity due to absence in Northern Ireland councils from £16.4 million in 2007-08 to £15.5 million in 2008-09 (Figure 9). This is the first recorded fall in the projected cost of absenteeism since this data has been compiled.
80. We have noted the variation in absenteeism rates within councils continues. Seven councils have rates which are double the lowest rate recorded by the best performing Northern Ireland council. We have noted our concern at the timeliness of absenteeism information prepared by some councils and instances where accuracy could be improved.
81. The impact of carrying forward varying absenteeism rates from the existing 26 councils to the 11 new councils, following the RPA reorganisation due in 2011, is potentially significant. There is much scope for absenteeism rates to be impacted upon by the change. However, Figure 6 provides the means for absenteeism analysis, on a post-RPA basis, to commence now. Transition Committees and their Management Teams, as well as post-RPA councils, should monitor changes in absenteeism both up to and immediately after the reorganisation, using the rates at Figure 6 in this report as a starting point.
82. To assist councils, absenteeism information is included in the Annual Audit Letters issued to each council by the Local Government Auditor following his audit of the 2008-09 accounts. Consequently absenteeism matters will be raised directly with council Audit Committees. In addition, we are prepared to address this report specifically with council Audit Committees and the 11 Transition Committees if requested to do so.
83. Given the substantial impact on increased productivity in Northern Ireland councils which would arise from further reductions in absenteeism, it is our intention to review this matter again for the year ending 31 March 2010.



Northern Ireland Audit Office

Appendices



Appendices

Appendix I: Potential gains in productivity for each Northern Ireland council (2006-09) if the lowest absenteeism rate was equalled (paragraph 8)

Annual gains of £7.2 million in productivity could be made if all councils matched the lowest absenteeism rate reported by Magherafelt District Council (2006-09).						
	Average absenteeism rate for the 2006-09 period (days)	Average annual staff costs 2006-09 (£'000)	Average annual lost productivity 2006-09 (£'000)	Difference from absenteeism rate of 7.25 days	Average annual potential productivity gains based on an absenteeism rate of 7.25 days* (% of staff costs)	Average annual potential productivity gains based on an absenteeism rate of 7.25 days (£'000)
Magherafelt District Council	7.25	4,544	147	-	-	-
Armagh City and District Council	8.26	8,127	301	1.01	0.5	37
Lisburn City Council	8.78	12,636	498	1.53	0.7	87
Fermanagh District Council	9.70	7,106	308	2.45	1.1	78
Castlereagh Borough Council	10.74	9,433	452	3.49	1.6	147
Cookstown District Council	11.10	5,369	263	3.85	1.7	91
Omagh District Council	12.03	7,531	406	4.78	2.1	161
Antrim Borough Council	12.28	7,526	400	5.03	2.2	164
Newtownabbey Borough Council	12.30	10,465	601	5.05	2.4	247
Strabane District Council	12.33	5,020	275	5.08	2.3	113
Limavady Borough Council	12.58	4,135	230	5.33	2.3	97
North Down Borough Council	12.59	9,664	542	5.34	2.4	230
Down District Council	12.70	8,119	466	5.45	2.5	200
Ballymena Borough Council	13.00	7,693	446	5.75	2.6	197
Banbridge District Council	13.07	5,060	296	5.82	2.6	132
Belfast City Council	13.38	69,334	4,102	6.13	2.7	1,879
Dungannon and South Tyrone Borough Council	13.48	7,170	435	6.23	2.8	201
Ards Borough Council	13.59	9,853	627	6.34	3.0	293
Newry and Mourne District Council	14.47	11,424	744	7.22	3.2	371
Coleraine Borough Council	14.64	8,849	585	7.39	3.3	295
Ballymoney Borough Council	15.37	3,317	227	8.12	3.6	120
Craigavon Borough Council	17.43	13,565	1,079	10.18	4.6	630
Moyle District Council	17.65	3,281	253	10.40	4.5	149
Derry City Council	17.79	16,319	1,319	10.54	4.8	781
Larne Borough Council	17.86	4,827	385	10.61	4.7	229
Carrickfergus Borough Council	19.30	4,930	429	12.05	5.4	268
Total		265,297	15,816			7,197
* The potential productivity gain is derived from the difference in absenteeism rate when compared to a rate of 7.25 days (Figure 1), staff costs and the potential working days available to a full time equivalent employee over the period (224 days per year)						
Source: Chief Local Government Auditor						



Appendix 2: Change in annual productivity for each Northern Ireland council resulting from a comparison of 2003-06 and 2006-09 absenteeism rates (paragraph 10)

Changes in annual productivity resulting from a comparison of 2003-06 and 2006-09 absenteeism rates range from a gain in Belfast City Council of £838,000 to a loss in Ballymena Borough Council of £100,000.

	Average absenteeism rate for the 2006-09 period	Average annual staff costs 2006-09 (£'000)	Average annual lost productivity 2006-09 (£'000)	Average annual lost productivity 2006-09 using 2003-06 rate (£'000)	Movement in three-year rate from 2003-06 to 2006-09	Average annual increased productivity gain/loss based on 2006-09 using 2003- 06 rate (£'000)
Magherafelt District Council	7.25	4,544	147	192	-2.19	45
Armagh City and District Council	8.26	8,127	301	398	-2.65	97
Lisburn City Council	8.78	12,636	498	564	-1.16	66
Fermanagh District Council	9.70	7,106	308	265	1.34	-43
Castlereagh Borough Council	10.74	9,433	452	438	0.35	-14
Cookstown District Council	11.10	5,369	263	338	-3.17	75
Omagh District Council	12.03	7,531	406	507	-3.00	101
Antrim Borough Council	12.28	7,526	400	442	-1.30	42
Newtownabbey Borough Council	12.30	10,465	601	624	-0.47	23
Strabane District Council	12.33	5,020	275	226	2.18	-49
Limavady Borough Council	12.58	4,135	230	271	-2.24	41
North Down Borough Council	12.59	9,664	542	576	-0.79	34
Down District Council	12.70	8,119	466	409	1.54	-57
Ballymena Borough Council	13.00	7,693	446	346	2.91	-100
Banbridge District Council	13.07	5,060	296	265	1.36	-31
Belfast City Council	13.38	69,334	4,102	4,940	-2.73	838
Dungannon and South Tyrone Borough Council	13.48	7,170	435	392	1.33	-43
Ards Borough Council	13.59	9,853	627	630	-0.06	3
Newry and Mourne District Council	14.47	11,424	744	980	-4.58	236
Coleraine Borough Council	14.64	8,849	585	561	0.60	-24
Ballymoney Borough Council	15.37	3,317	227	224	0.20	-3
Craigavon Borough Council	17.43	13,565	1,079	1,074	0.09	-5
Moyle District Council	17.65	3,281	253	207	3.19	-46
Derry City Council	17.79	16,319	1,319	1,285	0.46	-34
Larne Borough Council	17.86	4,827	385	437	-2.41	52
Carrickfergus Borough Council	19.30	4,930	429	417	0.52	-12

Source: Chief Local Government Auditor

Appendices

Appendix 3: Commentary on Northern Ireland councils' three-year average annual absenteeism rates (paragraph 15)

Antrim Borough Council

The 2006-09 three-year average absenteeism rate of 12.28 days for Antrim Borough Council is below the Northern Ireland council 2008-09 average. The Council's absenteeism rate has improved in 2006-09 with a decrease of over one day from 13.58 days in 2003-06. The Council, however, is one of only four councils recording a year-on-year increase in its absenteeism rate within the 2006-09 period.

Absenteeism cost the Council an average of £400,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £164,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £42,000 ([Appendix 2](#)).

22 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Ards Borough Council

Ards Borough Council has experienced a marginal decrease in its three-year average absenteeism rate since 2003-06 when the rate was 13.65 days. The average rate for 2006-09 of 13.59 is now above the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £627,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £293,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £3,000 ([Appendix 2](#)).

There was no discernable pattern in the Council's absenteeism rate within the 2006-09 period.

20 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Armagh City and District Council

Armagh City and District Council has experienced a considerable decrease of over two days in its three-year average absenteeism rate over the two periods from 10.91 days in 2003-06 to 8.26 days in 2006-09. The Council continues to have absenteeism rates that are significantly below the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £301,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £37,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £97,000 ([Appendix 2](#)). There was no discernable pattern in the Council's absenteeism rate within the 2006-09 period.

11 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Ballymena Borough Council

Ballymena Borough Council showed a significant increase of just under three days in its three-year average absenteeism rate which has taken the Council's rate from 10.09 days in 2003-06 to 13.00 days in 2006-09. The 2006-09 absenteeism rate is above the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £446,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £197,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £100,000 ([Appendix 2](#)). The Council is one of only four councils recording a year-on-year increase in its absenteeism rate within the 2006-09 period.

23 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was also 23 per cent (paragraph 46).



Appendix 3: (continued)

Ballymoney Borough Council

Ballymoney Borough Council has experienced a marginal increase in its three-year average absenteeism rate from 15.17 days in 2003-06 to 15.37 days in 2006-09. The 2006-09 rate places the Council well above the Northern Ireland council 2008-09 average and is more than double the lowest rate.

Absenteeism cost the Council an average of £227,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £120,000 each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £3,000 (Appendix 2). There was no discernable pattern in the Council's absenteeism rate within the 2006-09 period.

47 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue, the highest figure recorded by a Northern Ireland council (Figure 4). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Banbridge District Council

Banbridge District Council experienced an increase in its three-year average absenteeism rate of over one day from 11.71 days in 2003-06 to 13.07 days in 2006-09. This Council has an absenteeism rate which is now above the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £296,000 in lost productivity each year during the 2006-09 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).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £31,000 (Appendix 2). There was no discernable pattern in the Council's absenteeism rate within the 2006-09 period.

19 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 4). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Belfast City Council

Belfast City Council experienced a considerable reduction of nearly three days in its three-year average absenteeism rate from 16.11 days in 2003-06 to 13.38 days in 2006-09. The 2006-09 rate is above the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £4.10 million in lost productivity each year during the 2006-09 period. This cost could have been reduced by £1.88 million each year if the Council had matched the lowest average annual absenteeism rate for the period (Appendix 1).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £838,000 (Appendix 2).

Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism. Between 2006-07 and 2008-09 the reduction was 25 per cent.

23 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 4). The average for Northern Ireland councils was also 23 per cent (paragraph 46).

Carrickfergus Borough Council

Carrickfergus Borough Council's three-year average absenteeism rate of 19.30 days for 2006-09 is the highest of all 26 councils and is more than double the lowest rate. The 2006-09 rate is approximately half a day higher than the 2003-06 rate of 18.78 days. Within the 2006-09 period, however, the Council recorded a year-on-year reduction in absenteeism.

Absenteeism cost the Council an average of £429,000 in lost productivity each year during the 2006-09 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).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £12,000 (Appendix 2).

22 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue (Figure 4). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Appendices

Appendix 3: (continued)

Castlereagh Borough Council

Castlereagh Borough Council has increased its three-year average absenteeism rate slightly from the 2003-06 rate of 10.39 days to 10.74 days in 2006-09. Despite this small increase, Castlereagh Borough Council has an absenteeism rate well below the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £452,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £147,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £14,000 ([Appendix 2](#)).

There was no discernable pattern in the Council's absenteeism rate within the 2006-09 period.

30 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Coleraine Borough Council

Coleraine Borough Council experienced an increase in its three-year average absenteeism rate of approximately half a day from 14.04 days in 2003-06 to 14.64 days in 2006-09. This Council's average is well above the Northern Ireland council 2008-09 average rate and is more than double the lowest rate. Within the 2006-09 period, however, the Council recorded a year-on-year reduction in absenteeism.

Absenteeism cost the Council an average of £585,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £295,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £24,000 ([Appendix 2](#)).

23 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was also 23 per cent (paragraph 46).

Cookstown District Council

Cookstown District Council's three-year average absenteeism rate has decreased significantly by more than three days from 14.27 days in 2003-06 to 11.10 days in 2006-09. The Council's absenteeism rate is well below the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £263,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £91,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £75,000 ([Appendix 2](#)).

Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism. Between 2006-07 and 2008-09 the reduction was 33 per cent.

16 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Craigavon Borough Council

Craigavon Borough Council experienced a marginal increase in its absenteeism rate from 17.34 days in 2003-06 to 17.43 days in 2006-09. The Council's three-year average absenteeism rate is significantly above the Northern Ireland council 2008-09 average and is more than double the lowest rate.

Absenteeism cost the Council an average of £1.08 million in lost productivity each year during the 2006-09 period. This cost could have been reduced by £630,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £5,000 ([Appendix 2](#)).

The Council is one of only four councils recording a year-on-year increase in its absenteeism rate within the 2006-09 period.

31 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).



Appendix 3: (continued)

Derry City Council

Derry City Council experienced an increase in its three-year average absenteeism rate of almost half a day from 17.33 days in 2003-06 to 17.79 days in 2006-09. The Council's absenteeism rate is significantly above the Northern Ireland council 2008-09 average and is more than double the lowest rate.

Absenteeism cost the Council an average of £1.32 million in lost productivity each year during the 2006-09 period. This cost could have been reduced by £781,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £34,000 ([Appendix 2](#)).

There was no discernable pattern in the Council's absenteeism rate within the 2006-09 period.

26 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Down District Council

Down District Council has experienced a considerable increase in its absenteeism rate of over one and a half days, moving from 11.16 days in 2003-06 to 12.70 days in 2006-09. This is now above the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £466,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £200,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The rise in absenteeism rates, between the 2002-05 and 2006-09 periods, has meant an average annual productivity loss of £57,000 ([Appendix 2](#)).

The Council is one of only four councils recording a year-on-year increase in its absenteeism rate within the 2006-09 period.

23 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was also 23 per cent (paragraph 46).

Dungannon and South Tyrone Borough Council

Dungannon and South Tyrone Borough Council experienced an increase of almost one and a half days in its three-year average absenteeism rate from 12.15 days in 2003-06 to 13.48 days in 2006-09. The 2006-09 rate is well above the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £435,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £201,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £43,000 ([Appendix 2](#)).

There was no discernable pattern in the Council's absenteeism rate within the 2006-09 period.

13 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Fermanagh District Council

Fermanagh District Council has experienced an increase of almost one and a half days in its three-year average absenteeism rate. An increase from 8.36 days in 2003-06, the lowest rate reported by a Northern Ireland council in this period, to 9.70 days in 2006-09. This rate is well below the Northern Ireland council 2008-09 average. Within the 2006-09 period, the Council recorded a year-on-year reduction in absenteeism. Between 2006-07 and 2008-09 the reduction was 23 per cent.

Absenteeism cost the Council an average of £308,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £78,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £43,000 ([Appendix 2](#)).

11 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Appendices

Appendix 3: (continued)

Larne Borough Council

Larne Borough Council experienced a considerable decrease in its three-year average absenteeism rate of almost two and a half days from 20.27 days in 2003-06 to 17.86 days in 2006-09. Although this change means the Council no longer has the highest absenteeism rate reported by a Northern Ireland council, the rate remains significantly above the average rate for 2008-09 and is more than double the lowest rate.

Absenteeism cost the Council an average of £385,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £229,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £52,000 ([Appendix 2](#)).

Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism. Between 2006-07 and 2008-09 the reduction was 46 per cent.

31 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Limavady Borough Council

Limavady Borough Council experienced a considerable reduction in its three-year average absenteeism rate of over two days from 14.82 days in 2003-06 to 12.58 days in 2006-09. This Council is now marginally above the 2008-09 average for Northern Ireland councils.

Absenteeism cost the Council an average of £230,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £97,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £41,000 ([Appendix 2](#)).

There was no discernable pattern in the Council's absenteeism rate within the 2006-09 period.

21 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Lisburn City Council

Lisburn City Council has experienced a reduction of just over one day from the 2003-06 average absenteeism rate of 9.94 days to 8.78 days in 2006-09. This rate is significantly below the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £498,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £87,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £66,000 ([Appendix 2](#)).

Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism. Between 2006-07 and 2008-09 the reduction was 30 per cent.

15 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Magherafelt District Council

Magherafelt District Council has achieved the lowest absenteeism rate of all 26 Northern Ireland councils for the 2006-09 period. The Council experienced a considerable reduction of over two days in its absenteeism rate from 9.44 days in 2003-06 to 7.25 days in 2006-09.

Absenteeism cost the Council an average of £147,000 in lost productivity each year during the 2006-09 period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £45,000 ([Appendix 2](#)).

There was no discernable pattern in the Council's absenteeism rate within the 2006-09 period.

10 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).



Appendix 3: (continued)

Moyle District Council

Moyle District Council's three-year average absenteeism rate has increased significantly by over three days from 14.46 days in 2003-06 to 17.65 days in 2006-09. This is the largest increase recorded by any Northern Ireland council between these three-year periods. The Council's 2006-09 absenteeism rate is significantly above the Northern Ireland council 2008-09 average and is more than double the lowest rate. Within the 2006-09 period, however, the Council recorded a year-on-year reduction in absenteeism. Between 2006-07 and 2008-09 the reduction was 26 per cent.

Absenteeism cost the Council an average of £253,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £149,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £46,000 ([Appendix 2](#)).

22 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Newry and Mourne District Council

Newry and Mourne District Council's absenteeism rate has improved significantly by over four and a half days from the 2003-06 rate of 19.05 days to the 2006-09 rate of 14.47 days. This is the largest improvement recorded by any Northern Ireland council. However, the 2006-09 absenteeism rate is well above the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £744,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £371,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £236,000 ([Appendix 2](#)).

Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism.

21 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Newtownabbey Borough Council

Newtownabbey Borough Council experienced a reduction of almost half a day in its three-year average absenteeism rate from 12.77 days in 2003-06 to 12.30 days in 2006-09, a rate which is below the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £601,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £247,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £23,000 ([Appendix 2](#)).

Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism.

13 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

North Down Borough Council

North Down Borough Council has experienced a reduction of almost a day from the 2003-06 average annual absenteeism rate of 13.38 days to 12.59 days in 2006-09. This rate remains marginally above the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £542,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £230,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £34,000 ([Appendix 2](#)).

There was no discernable pattern in the Council's absenteeism rate within the 2006-09 period.

11 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Appendices

Appendix 3: (continued)

Omagh District Council

Omagh District Council has experienced a significant reduction of three days in its three-year average absenteeism rate from 15.03 days in 2003-06 to 12.03 days in 2006-09. The Council's absenteeism rate is now below the Northern Ireland council 2008-09 average.

Absenteeism cost the Council an average of £406,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £161,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The fall in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity gain of £101,000 ([Appendix 2](#)).

Within the 2006-09 period the Council recorded a year-on-year reduction in absenteeism. Between 2006-07 and 2008-09 the reduction was 28 per cent.

24 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).

Strabane District Council

Strabane District Council experienced a significant increase in its absenteeism rate of over two days from 10.15 days in 2003-06 to 12.33 days in 2006-09. This rate is marginally below the Northern Ireland council 2008-09 average. Within the 2006-09 period, however, the Council recorded a year-on-year reduction in absenteeism.

Absenteeism cost the Council an average of £275,000 in lost productivity each year during the 2006-09 period. This cost could have been reduced by £113,000 each year if the Council had matched the lowest average annual absenteeism rate for the period ([Appendix 1](#)).

The rise in absenteeism rates, between the 2003-06 and 2006-09 periods, has meant an average annual productivity loss of £49,000 ([Appendix 2](#)).

26 per cent of absenteeism in the Council was the result of stress, depression, mental health and fatigue ([Figure 4](#)). The average for Northern Ireland councils was 23 per cent (paragraph 46).



Northern Ireland Audit Office Reports published in 2009

Title	Reference	Date Published
Absenteeism in Northern Ireland Councils 2007-08	PC 2440 01/09	9 January 2009
Obesity and Type 2 Diabetes in Northern Ireland	NIA 73/08-09	14 January 2009
Public Service Agreements – Measuring Performance	NIA 79/08-09	11 February 2009
Review of Assistance to Valence Technology: A Case Study on Inward Investment	NIA 86/08-09	25 February 2009
The Control of Bovine Tuberculosis in Northern Ireland	NIA 92/08-09	18 March 2009
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General Report on the Health and Social Care Sector in Northern Ireland 2008	NIA 132/08-09	10 June 2009
The Administration and Management of the Disability Living Allowance Reconsideration and Appeals Process	NIA 116/08-09	17 June 2009
The Pre-School Education Expansion Programme	NIA 133/08-09	19 June 2009
Bringing the SS Nomadic to Belfast – The Acquisition and Restoration of the SS Nomadic	NIA 165/08-09	24 June 2009
The Exercise by Local Government Auditors of their Functions (to 31 March 2009)	PC 2548 06/09	30 June 2009
A Review of the Gateway Process/The Management of Personal Injury Claims	NIA 175/08-09	8 July 2009
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