

The Members of the Legislative Assembly
Parliament House
SYDNEY NSW 2000

In compliance with Section 38E of the *Public Finance and Audit Act 1983*, I present a report to the Legislative Assembly titled:

Management of Sickness Absence New South Wales Public Sector

Volume One: Executive Briefing

Volume Two: The Survey Detailed Findings

A C HARRIS

Sydney
August 1998

Performance Audit Report

**Management of Sickness Absence
New South Wales Public Sector**

Volume 1: Executive Briefing

State Library of New South Wales cataloguing-in publication data

New South Wales. Audit Office.

Performance audit report : management of sickness absence New South Wales public sector/ [Audit Office of New South Wales.]

ISBN 0731389026 (Set)

ISBN 0731389034 (v.1)

1. Sick leave - New South Wales - Auditing. 2. Absenteeism (Labor) - New South Wales - Auditing. 3. New South Wales - Officials and employees - Leave regulations - Auditing. I. Title Management of sickness absence New South Wales public sector. II. Title: Speedy recovery.

352.6709944

658.312209944

Contents

Preface	1
Executive Briefing	3
1. Key Audit Findings	4
2. The Audit	5
3. Background	5
4. Extent and Cost of Sickness Absence	7
5. Initiatives to Reduce Sickness Absence	15
6. Potential Benefits from Sickness Absence Reductions	15
7. Sickness Absence Policy and Procedures	16
7.1 Government Policy	16
7.2 Personnel Handbook	17
7.3 Non Compliance with Government Policy and Regulation	18
8. Managing Sickness Absence	19
9. Better Practice Guide	20
10. Recommendations	21
11. Response to the Report from Premier's Department of New South Wales	22
12. Response to Premier's Department of New South Wales Letter	24
13. Cost of the Audit	25
14. Acknowledgment	26
Appendices	27
15.1 The Audit Process	28
15.1.1 Audit Objectives	28
15.1.2 Audit Criteria and Scope	28
15.1.3 Audit Approach/Methodology	29
15.2 Leave Entitlements Public (NSW)/Private Sector	30
15.3 Policy and Procedures	31
15.4 List of Exhibits	35
15.5 Glossary of Terms	36
15.6 Acronyms	40

Preface

Management of Sickness Absence Because resources for the New South Wales public sector for the provision of goods and services are finite there is a need to improve continually performance and productivity.

The level of sickness absence and its management is therefore of concern because sickness absence impacts significantly on public sector performance and productivity. The effective and efficient management of sickness absence, genuine and non genuine, is an important platform in improving value for money in service delivery by the New South Wales public sector.

Outputs of the Performance Audit This performance audit is presented in two separate Report Volumes.

This Report Volume, **Volume One: Executive Briefing** discusses the main issues of sickness absenteeism identified during the audit.

Volume Two: The Survey - Detailed Findings presents the more detailed findings of the audit from the:

- review and analysis of responses received from agencies to The Audit Office's management of sickness absence survey
- fieldwork visits to selected organisations (public and private) during the course of the audit.

Unless otherwise indicated, references to:

- the public sector are a reference to the public sector in New South Wales
- the term sickness absence only includes an absence from place of employment because of the employee's illness or injury for which sick leave entitlement is used, that is personal/carer's absences from work by employees for which sick leave entitlement is used are excluded.

Executive Briefing

1. Key Audit Findings

Key Findings

- Information relating to the NSW public sector wide sickness absence levels, unlike in some other states, are presently not maintained or monitored centrally.
- A survey conducted by The Audit Office indicates that:
 - ⇒ the sickness absence levels within the NSW public sector is higher than that which occurs within the private sector
 - ⇒ sickness absence levels in the NSW public sector have been better than levels experienced within most other Australian public sectors although in 1996-97 they deteriorated relatively and absolutely
 - ⇒ sickness absence in the NSW public sector is not managed efficiently so as to minimise the cost resulting from sickness absence
 - ⇒ agencies, with certain exceptions, tend to focus on the administration of sickness absence and not on its management
 - ⇒ in 1996-97 the average level of sickness absence for a public sector employee was 7.21 days per annum or 48.1% of the employee's annual sickness entitlement although 27% of the workforce recorded no sickness absence, while only 21% of staff claimed more than 10 days
 - ⇒ it is not apparent that the introduction of flexible working hours and Family and Community Services (FACS) leave has reduced sickness absenteeism.
- The Audit Office did not closely examine the agency underlying figures and the causes and affects for agency absence levels. Only a close examination by an agency's management will reveal whether the level of sickness absence is reasonable. Nevertheless, it appears that the NSW public sector sickness absence levels could be better managed so as to reduce the cost associated with sickness absence
- The salaries and wages paid to individuals whilst on sickness absence on a public sector wide basis in 1996-97 was estimated to be \$368.3m. This estimate does not take into account any flow -on effect resulting from sickness absence, eg overtime or other replacement cost.
- Improved management of sickness absence provides an opportunity for the NSW public sector to gain benefits, including the reduction of salary costs associated with people on sickness absence. The salary differential between the sickness absence level currently existing and the sickness absence level reported for the private sector, is around \$123m per annum.

Better Practice Guide

- To assist with the management of sickness absence within the NSW public sector, The Audit Office of NSW developed a Better Practice Guide. This Guide has been referred to the Premier's Department for consultation as a prelude to its completion and release.

2. The Audit

The Audit Office has carried out a performance audit on the management of sickness absence in the New South Wales (NSW) public sector.

The audit objectives were to assess:

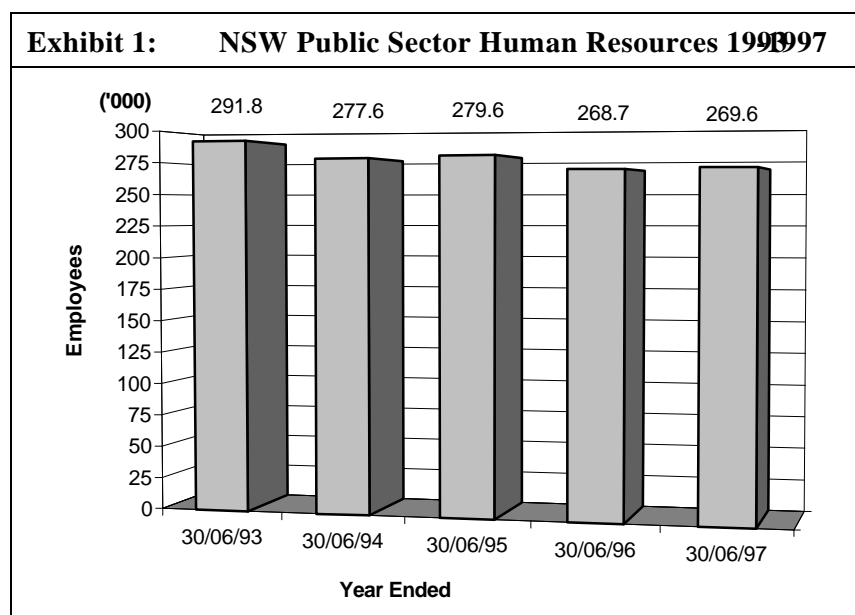
- the efficiency and effectiveness of sickness absence management
- the adequacy and compliance by agencies with Government and/or internal agency policy, guidance and practices for sickness absence management.

Appendix 15.1 details the audit criteria and the approach/methodology used in conducting the audit.

3. Background

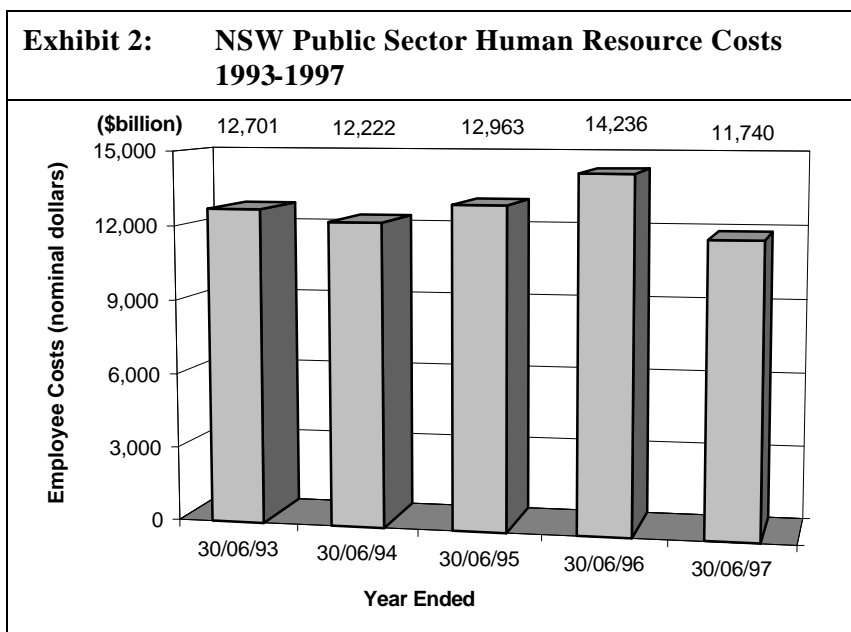
Human Resources and Associated Costs

In the NSW public sector, human resources and their associated costs account for approximately 40% of public sector operating expenses. Exhibits 1 and 2 highlight the level and cost of human resources.



Source: NSW State Budget Papers

Note: Employee numbers refer to equivalent full-time (EFT) employees.



Source: NSW Whole of Government Financial Statements

Paid Sick Leave Most employees are likely to suffer genuine illness or injury from time to time. Some parts of the public sector face additional strains, for example:

- police officers undertake dangerous duties
- nurses and public transport personnel work shifts which can impact upon the functioning of the body clock.

Employees are provided with a sick leave entitlement, ie payment for periods of absence from work brought about by illness or other incapacity. The sick leave entitlement provides income protection insurance to public servants for illness or injury, the cost for this benefit being met by the employer and ultimately the public purse.

Entitlements The level of employee sickness absence entitlement applying within the public sector is set out in awards and agreements. While entitlements vary, public sector employees can typically claim at least 15 days per year on full pay for illness or injury. Any unused component of the annual entitlement is usually fully cumulative, without there being any accumulation cap.

Classification Sickness absence incidents can be classified into two types:

- *genuine and unavoidable* - where the employee has illness or injury which (for the employee's own health protection or that of other employees and/or the public) is sufficiently severe to make the employee unable to perform his/her work

- *non genuine and avoidable* - where an employee uses the benefit provided through the phenomenon of taking a “sickie”. That is, the employee takes time off work although medically fit to perform duties at work.

All sickness absence should be managed effectively regardless of whether it is genuine or non genuine.

The focus of management attention on:

- genuine sickness absence should be that of minimising the impact of the illness or injury on both the employee and the employer, and on service delivery
- non genuine sickness absence should be that of identifying and actioning abuse of sickness entitlements.

Certification

Under most awards, a medical certificate is required to be provided by an employee for any sickness absence incident which exceeds 3 consecutive working days. An absence incident of 3 consecutive working days or less may be self certified by the employee.

4. Extent and Cost of Sickness Absence

Availability of Information

Public sector wide information on sickness absence levels is presently not maintained or monitored centrally in NSW. This contrasts with South Australia, Western Australia and Queensland public sectors. The Audit Office obtained NSW sector wide information by conducting a survey¹

The Public Sector Management Office (PSMO) within the Premier’s Department assists the Government by providing strategic advice on a range of matters including public sector management, public employment and industrial relations.

Audit Observation

In the absence of accessible public sector wide information it is difficult for the PSMO and the Government to make judgements on the effectiveness of sickness absence policy and procedures in seeking continuous improvement and value for money²

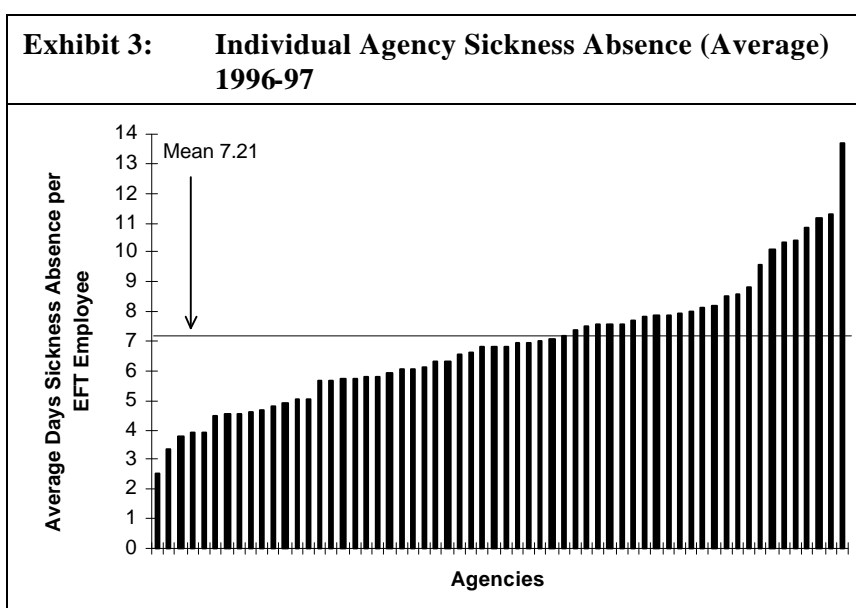
¹ See The Audit Office of NSW Performance Audit Report *Management of Sickness Absence Volume Two: The Survey- Detailed Findings* August 1998

² The absence of information with which to make judgements of policy success, ie effectiveness was raised previously in The Audit Office of NSW Performance Audit Report *Redundancy Arrangements* April 1997.

During the course of the audit, agencies advised The Audit Office that it would be very helpful if there were sickness absence benchmarks (both public and private sectors) available to determine whether sickness absence levels are acceptable.

Average Days Sickness Absence In 1996-97 employees had an average of 7.21 days sickness absence per effective full time (EFT) employee.

On an individual agency basis there were wide variations in the extent of sickness absence on average per EFT employee as Exhibit 3 illustrates.



Source: The Audit Office Management of Sickness Absence Survey

NSW public servants, including those who took no sick leave, in 1996-97 took on average 48.1% of their annual sick leave entitlement for that year.

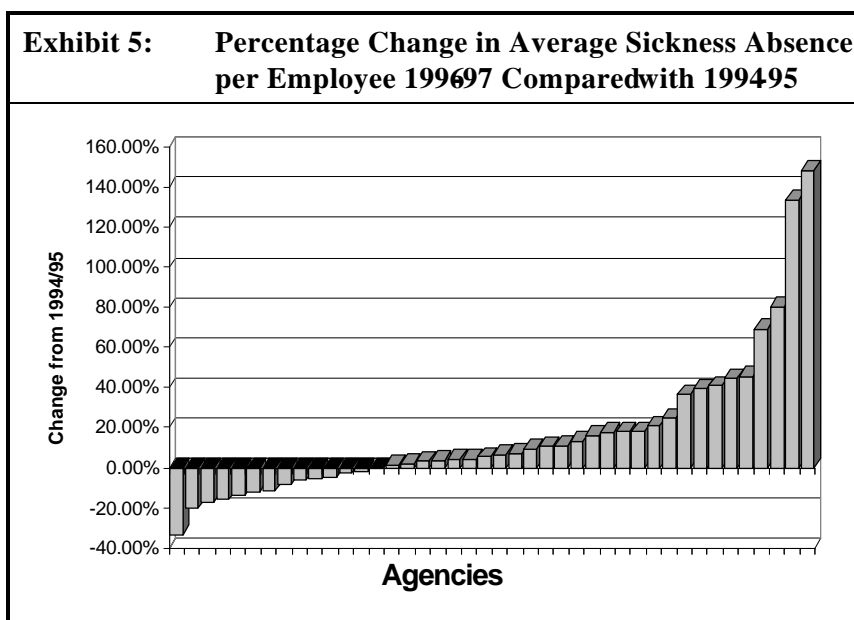
Average Days Exhibit 4 details average absence levels for the three year period
Sickness Absence 1994-95 to 1996-97 for the NSW Public Sector and CED All
Trends Australia Public and Private Sectors.

Exhibit 4: Sickness Absence per Employee				
	1994-95 Average (Mean)	1995-96 Average (Mean)	1996-97 Average (Mean)	1996-97 Increase Compared with 1994-95
NSW Public Sector	6.44 days	6.56 days	7.21 days	0.76 days or +11.9%
CED All Australia Public Sector	6.60 days	6.80 days	6.14 days	-0.46 days or -7.0%
CED All Australia Private Sector	4.38 days	4.51 days	5.18 days	0.80 days or +18.3%

Source: 1. The Audit Office Management of Sickness Absence Survey
 2. Corporate Benchmark Monitor May 1995, May 1996, June 1997 (Cullen, Egan and Dell Limited [CED])

The level of sickness absence increased over the period 1994-97 for the NSW Public Sector and All Australian Private Sector but decreased for the CED All Australian Public Sector.

At an individual NSW public sector agency level some agency's had decreases in average sickness absence levels while others had increases.

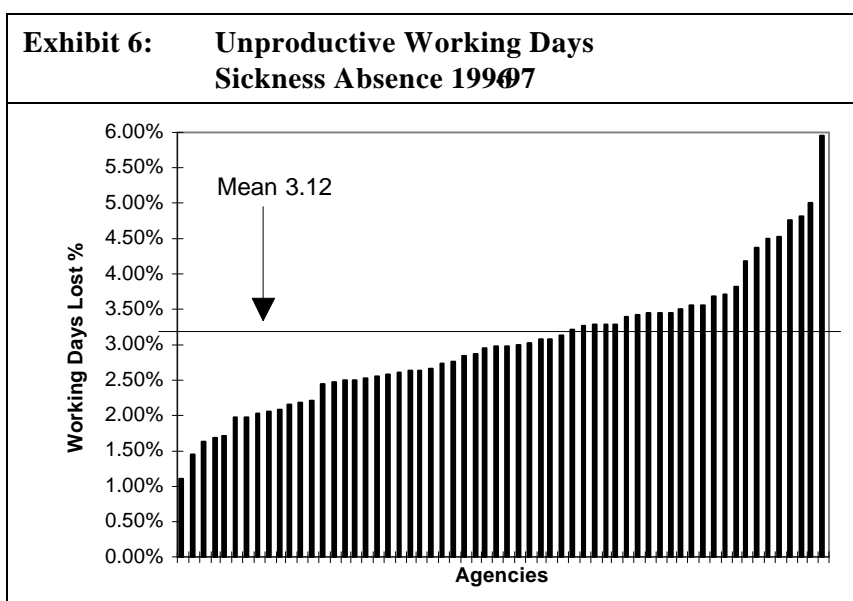


Source: The Audit Office Management of Sickness Absence Survey

**Working Days
“Lost”**

On the average working day in 1996-97, 3.12% of NSW public sector employees were absent from work on sickness absence (2.80% and 2.85% in 1994-95 and 1995-96 respectively). That is to say that 3.12% of working days are unproductive (“lost”) because of sickness absence.

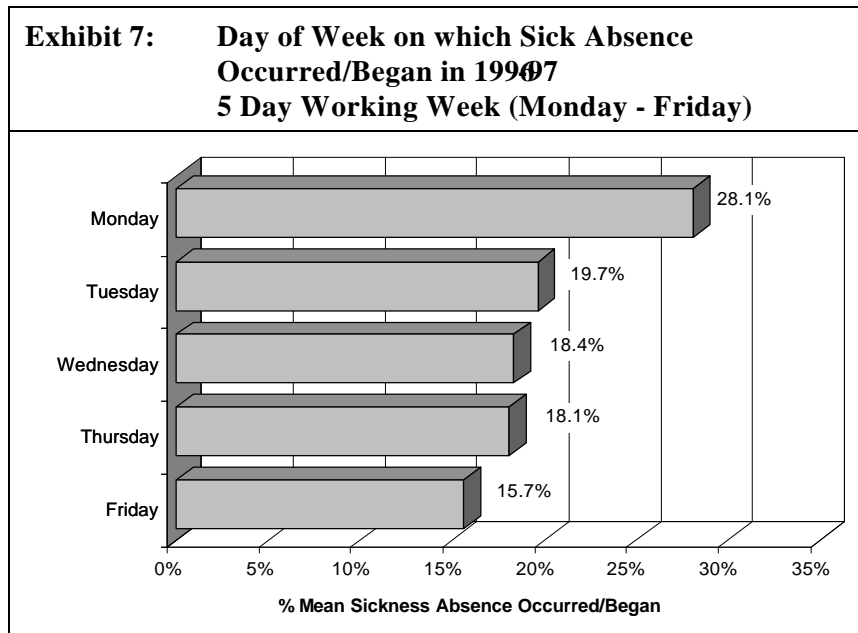
On an individual agency basis there were wide variations in the percentage of unproductive (“lost”) working days because of sickness absence, as Exhibit 6 illustrates.



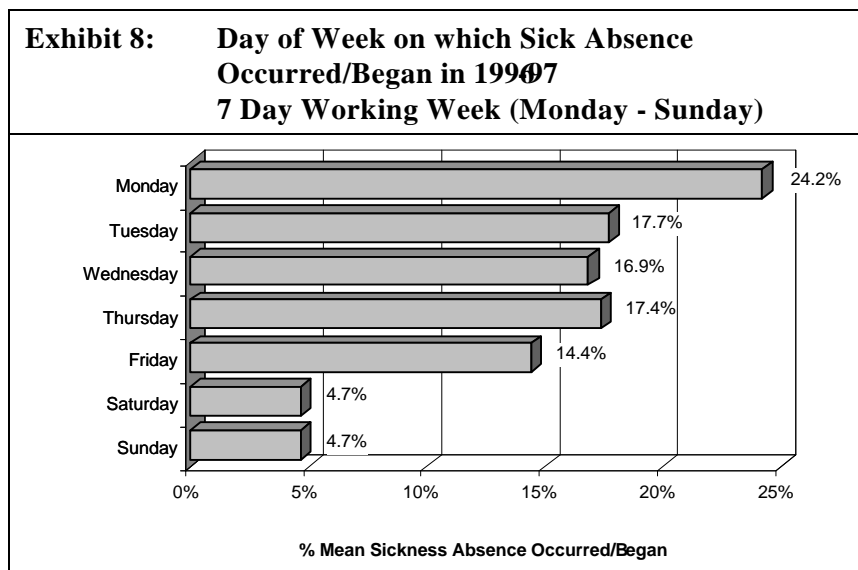
Source: The Audit Office Management of Sickness Absence Survey

Of the 76 agencies surveyed, only 35 agencies were able to identify the first day of a sickness absence incident. Of these, 15 had a 5 day working week and 20 had a 7 day working week.

The actual incidence of sickness absence in 1996-97, on a mean basis, is higher on Mondays and then progressively decreases, with weekends having the least incidence of sickness, refer Exhibits 7 and 8.



Source: The Audit Office Management of Sickness Absence Survey



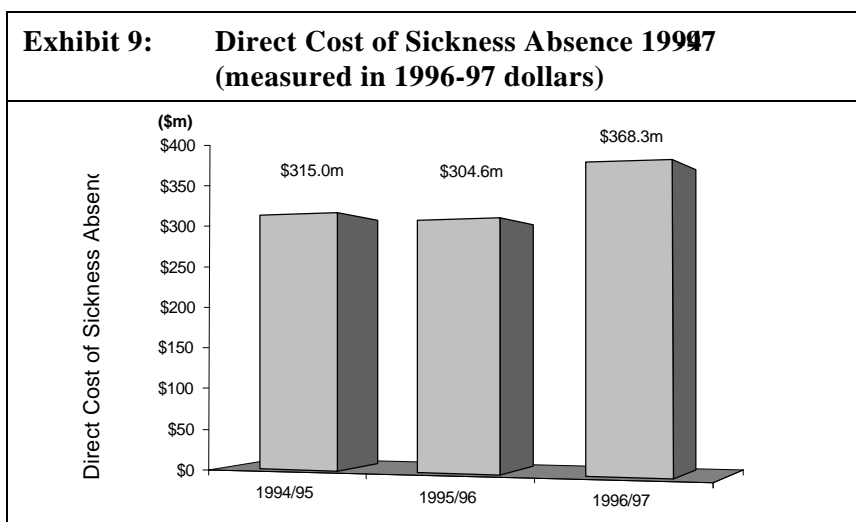
Source: The Audit Office Management of Sickness Absence Survey

The absence rate for Saturday and Sunday has been calculated as a percentage of the total workforce of the surveyed agencies. For many agencies it is likely that the weekend workforce is smaller than the total workforce. But the survey also indicates that there is a sizeable drop in sickness absence levels at weekends for agencies with a 7 day working week.

The Audit Office did not examine the extent to which financial incentives, such as penalty rates and overtime, played a part in the incidence of sick leave. It would seem, however, that those staff who are rostered to work on weekends, when higher salary rates apply, are less inclined to be off sick.

The Financial Cost

The estimated cost (calculated in 1996-97 dollar terms) ie salaries and wages, paid for sickness absence in the NSW public sector, is rising and is now estimated to be \$368m per annum, refer Exhibit 9.



Source: 1. The Audit Office Management of Sickness Absence Survey
2. Whole of Government Financial Statements 1994/97

This direct cost was derived by taking the percentage of working days lost through sickness absence by survey respondents during fiscal 1994-97 and applying this to the Whole of Government Financial Statements salaries expenditures to give an extrapolation of a NSW public sector wide payroll cost.

Other Costs

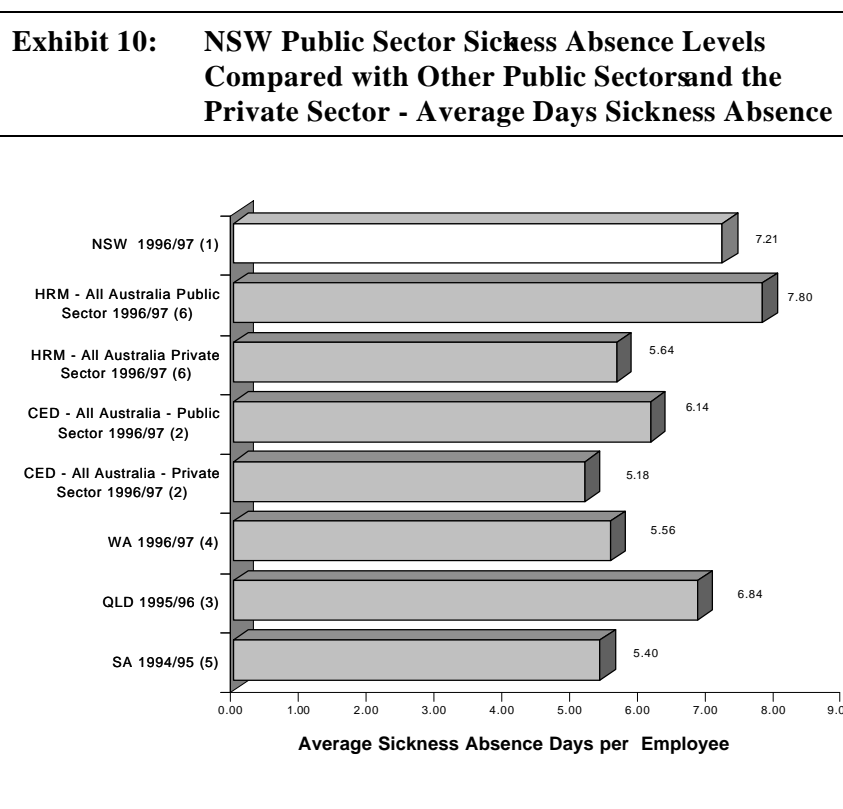
The cost of sickness absence is higher than the cost of lost time because of the need in some circumstances to employ additional/replacement staff and to pay overtime and relieving allowances to ensure the delivery of service to the public. For example, in 1996-97 the former Department of School Education expended \$249.8m on providing relief teachers to replace teachers absent on leave (including those absent because of sickness).

Non Financial Costs

There is also the non financial (opportunity) cost of sickness absence. When employees are absent from work on sickness absence and there is no replacement cover then this may affect directly and negatively service provision. On the other hand, no offsetting “revenue” recognition has been given to any absence where the backlog of work will be completed by additional unpaid hours, as would be the case when some employees take sick leave.

Comparing NSW with Others

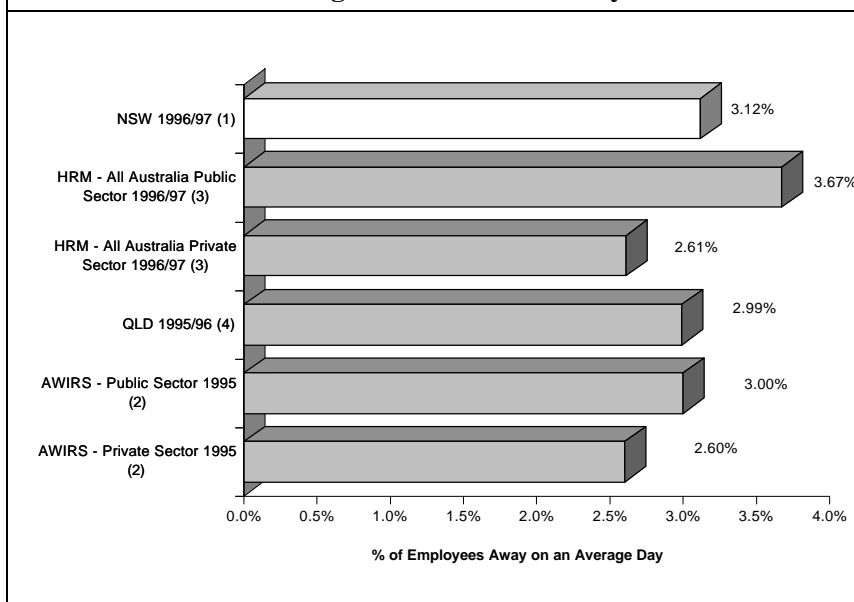
Exhibits 10 and 11 show the sickness absence levels of the NSW public sector compared with latest available data for other Australian State public sectors, All Australia public sector and that of the private sector in Australia.



Source:

1. The Audit Office Management of Sickness Absence Survey
2. Corporate Benchmark Monitor (Cullen, Egan and Dell Limited [CED]), June 1997
3. HRM Consulting Limited for Queensland Office of the Public Service, Absence Management Benchmarking Study
4. Western Australia Public Sector Management Office - Profile of the Western Australian State Government Workforce 30 June 1997
5. South Australian Office of the Commissioner for Public Employment - South Australian Public Sector Workforce Information 30 June 1995
6. HRM Consulting Limited, The Australian Human Resources Benchmarking Report June 1997

Exhibit 11: NSW Public Sector Compared with Other Public Sectors and the Private Sector - Average Percentage of Workforce Away Sick



Source:

1. The Audit Office Management of Sickness Absence Survey
2. Changes at Work, The 1995 Australian Workplace Industrial Relations Survey (AWIRS) Department of Workplace Relations and Small Business
3. HRM Consulting Limited, The Australian Human Resources Benchmarking Report June 1997
4. HRM Consulting Limited for Queensland Office of the Public Service, Absence Management Benchmarking Study

Observation

The average level of sickness absence in the NSW public sector during 1996-97 was higher than that reported for most other Australian public sectors and the level reported for the private sector.

The Audit Office did not undertake an extensive review of the underlying figures and the causes and affects for agency absence levels. Only a close examination by an agency's management would reveal whether the level of sickness absence is reasonable. Nevertheless, and while caution must be exercised in drawing conclusions from this comparison, there appears to be scope for improvement in the level of sickness absence within the NSW public sector.

5. Initiatives to Reduce Sickness Absence

A major change to awards or conditions was the introduction in 1980 of flexible working hours in many NSW public sector agencies. The Audit Office was advised that one of the underlying factors for this initiative was that flexi leave provided an avenue for reducing non genuine sickness absence.

No reliable information could be provided to The Audit Office on the impact of the introduction of flexible working hours in terms of its intended purpose (considerable restructuring of the NSW public sector over the years affects information provision).

A more recent initiative was the 1994 expansion of short leave to include Family and Community Service (FACS) leave. Previously there was no specific leave entitlement to cover absences from work because of family and community responsibilities. The Audit Office was advised that the introduction of FACS leave was to reduce the incidence of sick leave being taken for family and community reasons.

In fiscal 1995-96, the first full year of FACS, public servants took an average of 0.26 days FACS leave per EFT employee. While in 1996-97 the average was 0.48 days FACS leave, an increase of 0.22 days or 85%.

Observation

It is not apparent that the introduction of flexible working hours and FACS has reduced sickness absenteeism. On that basis it is difficult to say whether the potential benefits to be gained by the flexible working hours and FACS initiatives have been fully realised.

6. Potential Benefits from Sickness Absence Reductions

The indications are that the NSW public sector sickness absence could be reduced by better management. Exhibit 12 below gives an indicative estimate of benefits which can be had from reductions in sickness absence and its associated cost. The salary differential between the sickness absence level currently existing within the NSW public sector and the sickness absence level reported for the private sector, is around \$123m per annum.

Exhibit 12: Potential for Lowering Direct Cost of Sickness Absence from NSW Public Sector Sickness Absence Level Reductions

Reduction in % of Working Days "Lost" on Average to Sickness Absence	"Costs" Saved \$m	Additional Employees EFT
Current Level of Average Days Lost (3.12%)	-	-
2.2% Reduction in Average Days Lost (ie 3.05%)	10.56	202
5.5% Reduction in Average Days Lost (ie 2.95%)	24.66	472
8.7% Reduction in Average Days Lost (ie 2.85%)	38.76	741
11.9% Reduction in Average Days Lost (ie 2.75%)	52.86	1,011
15.1% Reduction in Average Days Lost (ie 2.65%)	66.97	1,280
18.3% Reduction in Average Days Lost (ie 2.55%)	81.07	1,550
21.5% Reduction in Average Days Lost (ie 2.45%)	95.17	1,820
25.7% Reduction in Average Days Lost (ie 2.35%)	109.27	2,089
27.9% Reduction in Average Days Lost (ie 2.25%)	123.37	2,359

Source: The Audit Office Analysis

When overtime, relieving allowances, additional/replacement staff, staff time involved in managing sickness and improved service delivery are taken into account, the potential benefits from reduced sickness absence levels are significant. It would be reasonable to assume that the potential benefits would outweigh the costs associated with better management and monitoring systems (for example cost of employee counselling, training of supervisors/managers, medical examinations, acquisition and/or upgrading of information technology to maintain and produce pertinent information/data on sickness absence).

7. Sickness Absence Policy and Procedures

7.1 Government Policy

The Audit Office on 16 September 1997 requested the Premier, as the Minister responsible for the administration of the Public Sector Management Act 1988 (PSMA), to set out any Government policy and related objectives relevant to sickness absence in the NSW public sector.

The Premier's Department, in response on 4 November 1997, advised that the current Government policy on sickness absence was contained in the *Personnel Handbook* (Section 6-18.2 Sick Leave Policy).

In summary, the Government's policy and related objectives to sickness absence are:

- sick leave is to be managed in a consistent way with other forms of unscheduled absence and that this management is to be undertaken in a fair and equitable manner (an agency responsibility)
- sick leave is to be monitored and excessive sick leave controlled in order to reduce sick leave at the organisational level
- counselling must always precede application of any sanction
- an employee with 5 unsupported absences of sick leave during a 12 month period should:
 1. be interviewed and the sickness absences be examined in the context of overall attendance patterns and work performance
 2. if further action is required, sick leave absences are to be monitored for a specified period
 3. if no improvement in attendance at work occurs following step 2, an employee should be required to produce medical certificates for all future sickness absences for a specified period (minimum is 3 months).

7.2 Personnel Handbook

Applicability

The *Personnel Handbook's* policy and procedures for sickness absence and its management apply to those agencies specified in Schedule 1 of the PSMA, ie all budget sector agencies (departments) and a small number of non budget sector agencies (statutory authorities).

Agencies which are not scheduled, by necessity, set their own policy and procedures for sickness absence and its management. The *Personnel Handbook* is used by many non-scheduled agencies as a guideline for developing "local policy".

Agency Specific Policy and Procedures

Approximately 45% of PSMA Schedule 1 agencies use the *Personnel Handbook* as their sole source of policy and procedures for sickness absence.

Access to Policy The current *Personnel Handbook*, issued in December 1997, is 478 pages in length. About 13 pages of this is devoted to sickness absence issues. The hardcopy current *Personnel Handbook* has not been distributed widely within agencies. The majority of copies reside in human resources/personnel function areas.

Since December 1997 there has been an electronic version of the *Personnel Handbook* which, subject to approval from the Premier's Department, can be loaded on to agency computer networks. However, the latter only goes some way towards wider distribution within agencies. Not all relevant staff have access at present to computer networks, nor will they need on-line computer access, as part of normal every day working, for the foreseeable future.

Generality Another issue is that the *Personnel Handbook* is a fairly generic document, given the range of agencies and the associated workforce coming within the public sector umbrella. For example, the *Personnel Handbook* does not specify an exact time by which an employee is required to report to his/her supervisor/employer absence from work due to sickness, or the types of information that should be available within agencies for managing sickness absence.

Roles and Responsibilities The *Personnel Handbook's* limited availability and its generality means that the role and responsibilities of employees and management in many agencies are not clearly defined or communicated to all concerned. Consequently, it does not help to establish an environment where accountability, and associated principles of control, operates in many agencies in respect of managing sickness absence.

7.3 Non Compliance with Government Policy and Regulation

Non Compliance with Government Policy Government policy requires that an employee with 5 unsupported absences of sick leave during a 12 month period should have his/her attendance and work performance reviewed and further action should be undertaken if appropriate. The Government policy states that:

... it is not intended to restrict departments from introducing their own.....policy. The provision of such policy, however, shall not be more generous ...

The responses to The Audit Office survey disclosed that some

agencies are not complying with this aspect of Government policy:

- one fifth of all respondents to The Audit Office survey had not implemented any sickness absence review trigger point
- half the survey respondents which actually had an absence review trigger point, had a more generous trigger point than that specified (for example 8 unsupported incidences in a 12 month period).

Besides the non compliance aspect, the survey suggests that the management of this aspect of sickness absence at some agencies is not as effective as it could be, while at other agencies it is non existent.

Non Compliance with Government Regulation

Under the Public Sector Management (General) Regulation 1996, it is mandatory that a health declaration be obtained as part of employment entry prerequisites. The Audit Office found there was significant non compliance with this regulation, approximately 30% of all survey respondents did not require new employees to furnish a health declaration.

By not seeking a health declaration, agencies increase the probability of employing a person who will be unable to fulfil the requirements of the position with implications for service delivery.

8. Managing Sickness Absence

Administration / Process / Rules Focus

The *Personnel Handbook's* main focus is on the administration/process/rules for sickness absence. For example, it covers the processing of sickness absence forms, the recording of absences, and who can provide medical certificates. Similarly, agencies tend to focus on the administration/process/rules of sickness absence.

While effective and efficient sickness absence administration/processing and application of the rules, ie paying employees, is important this does not automatically translate into proactive management of sickness absence.

The Audit Office found that, with some exceptions, agencies tended to focus on administration rather than management of sickness absence and its implications.

Potential Areas for Improvement Below are examples of areas where past and current practices have prevented the effective and efficient management of sickness absence and practices that should be examined to improve upon:

1. lack of relevant management information/data on sickness absence
2. absence of sickness absence benchmarking
3. absence of targets, short and long term, for sickness absence
4. no effective triggers, short and long term, to review the reasonableness of individuals sickness absence
5. agencies not reporting to Parliament and ultimately the public of sickness absence levels despite this being an indicator of service delivery value for money
6. the records/procedures are not adequate to ensure completeness and accuracy of absence records (this creates a potential risk of inadequate management of sickness absences and of incorrect administration of entitlements)
7. although the amount involved is significant, the cost of sickness absence is generally not known by agencies as it is not separately identified as an expenditure line item within the general ledger
8. the Chief Executive Officer and/or Board received no information at all on organisational sickness absence levels
9. training in managing sickness absence is not given to those who are expected to undertake this role/responsibility
10. sickness absence history is reviewed for probationary employees but generally is not taken into account for employment/promotion/transfer of individuals.

Most agencies need to focus on the management of people and the costs of human resources associated if there is to be effective management and subsequent performance/accountability stewardship occurring at all levels. A culture and environment of effective sickness absence management is the cornerstone to managing and reducing the cost of sickness absence.

9. Better Practice Guide

To assist all agencies to effectively manage sickness absence The Audit Office has compiled a Better Practice Guide for Managing Sickness Absence. This Guide has been referred to the Premier's Department for consultation as a prelude to its completion and release.

10. Recommendations

It is recommended that the PSMO (on behalf of Premier's Department):

- | | |
|------------------------------------|---|
| <i>Policy and Procedures</i> | 1. actively encourage agencies to develop “in house” policy and procedures for sickness absence and its management based upon the guidance and advice provided in the <i>Personnel Handbook</i> |
| <i>Performance Analysis</i> | 2. monitor the level and cost of sickness absence in the NSW public sector to help ensure that effective and efficient policy and guidance is set and subsequently applied (ie the Government should hold agencies accountable for their performance in the practice of sickness absence management) |
| <i>Annual Reports</i> | 3. distribute pertinent information to agencies which allows performance analysis/comparisons of managing sickness absence |
| <i>Health Certificate Adequacy</i> | 4. seek to have annual reporting legislation amended to require agencies to include details of the percentage of working days lost each year to sickness absence |
| <i>Matters for Consideration</i> | 5. review the format and wording of the health declaration with respect to the relevance of the information gathered and to its legal adequacy should the need to take action arise because of false declarations |
| <i>Matters for Consideration</i> | 6. give consideration to: <ul style="list-style-type: none"> • including in the <i>Personnel Handbook</i> comprehensive and prescriptive triggers for reviewing sickness absence • imposing greater justification than exists now when employees take sick leave just before or just after specified days (public holidays, rostered days off and/or flexi days, annual leave and in the period following an employee's formally indicating departure from the public sector by redundancy, resignation or retirement). |

Agency “In House” Policy and Procedures

It is recommended that all agencies:

review or develop their own sickness absence policy and procedures using, where appropriate, the Better Practice Guide following its release and those features outlined in Appendix 15.3.

11. Response to the Report from Premier's Department of New South Wales

Dear Mr Harris

Thank you for submitting the Performance Audit Report: Management of Sickness Absence NSW Public Sector (28 day version). As discussed previously with representatives of The Audit Office, this Department has serious reservations about some of the findings in your report.

Issues of particular concern previously raised with you are:

- the report does not examine underlying causes for sickness absences and, therefore, cannot conclude whether levels of absence are reasonable;*
- NSW sickness absence rates are compared to interstate data for different years;*
- the report highlights negative findings rather than some of the more positive comparisons;*
- the report does not allow for likely costs of better management and monitoring systems when establishing achievable targets; and*
- the guide to better practice for management of sick leave is based on compliance and administrative procedures rather than sound people management practices.*

While these issues have been raised with your Office on several occasions, and have been noted to some extent in this version of the report, the substance of our reservations has not been addressed.

Premier's Department acknowledges that as a general practice, good management of sickness absence should result in minimising sickness-related costs across the sector. Maximising organisational effectiveness also relies on a supportive climate. The challenge now will be to develop an effective sick leave policy and guidelines based on these considerations as well as efficient management practices.

To this end, Premier's Department proposes to review the current sick leave policy and guidelines and would appreciate access to the data used in your audit. It would also be of benefit for Premier's Department to work with you to improve the proposed Guide to Better Practice, which might then be jointly issued. This would support the recent policy issued by Premier's Department on health, safety, medical assessment and medical retirement procedures and the range of occupational health policies and guidelines currently being developed.

The opportunity to comment on this report is appreciated. If you have any further enquiries, please contact³.

Yours sincerely

*(signed)
C Gellatly
Director-General*

Date: 28 July 1998

³ Details deleted for the purposes of presentation within this Report.

12. Response to Premier's Department of New South Wales Letter

Dear Dr Gellatly

Thank you for your letter of 28 July 1998 on the report of the audit of management of sickness absence.

Although some agencies are keen to receive guidance on the matter, I agree that it would be preferable for my Office to postpone release of its better practice guide so that your Office can add to it commentary on sound people management practices.

I also agree that the audit did not examine underlying causes for sickness absence. (Nor did any audited agency sensibly advise us on this, although each was asked.) There are, as you know, several possibilities to explain a person's absence on sickness. But other than through intrusive techniques, it is difficult to determine the cause of individual cases. The use of statistical analysis on broad data can offer some guide.

Thus the report advances evidence that the State Government's collective record in sickness absence does not, overall, compare well with that of its peers. It also found evidence that audited agencies do not adequately manage sickness absence, not at least in terms of compliance and administrative procedures (including my own Office, notwithstanding that it manages better than most).

And the report concludes that, given the State's apparently poor record relative to others, there was the possibility of worthwhile gross savings if management of sickness absence were improved.

While the findings would have been helped had more and better data been available, I do think that they are soundly based as they stand.

Unless you propose otherwise, I shall now finalise the report, which will include your letter and this, for tabling.

(Signed)

A C HARRIS
AUDITOR-GENERAL

Date: 29 July 1998

13. Cost of the Audit

The cost of the audit was \$239,107 and is dissected into its component parts below in Exhibit 13.

Exhibit 13: Performance Audit Cost by Line Item	
Line Item	\$
Direct Salaries Costs	151,411
Overheads Charged on Staff Time	45,423
Value of Unpaid Overtime	26,493
Cost of Questionnaire Compilation Adviser and Data Processing	7,500
Printing (Estimated)	8,255
Other Miscellaneous Costs	25
Total Cost	239,107

The costs of the audit were adversely affected by some slow responses and by the quality of some responses to The Audit Office survey. Further comment on the timeliness and quality of responses are included in *Volume 2 The Survey - Detailed Findings Appendix 10.1* of the Performance Audit Report on the *Management of Sickness Absence NSW Public Sector*.

The cost to-date of compiling the better practice guide for the management of sickness absence - additional to the costs shown above - was \$13,447 and comprised the following costs as shown in Exhibit 14.

Exhibit 14: Management of Sickness Absence Better Practice Guide Cost	
Line Item	\$
Direct Salaries Costs	9,180
Overheads Charged on Staff Time	2,754
Value of Unpaid Overtime	1,513
Total Cost	13,447

14. Acknowledgment

The Audit Office acknowledges the cooperation and generous assistance that was extended to the audit team of Denis Streater (Project Controller), Steve Sullivan (Project Leader) and Deborah Jackson (Performance Auditor) by:

- public sector agencies which cooperated in the survey of sickness absence management
- public sector agencies which participated in the audit fieldwork
- Westpac Banking Corporation and AMP for providing advice on private sector management of sickness absence which was valuable for reviewing public sector sickness absence management
- The Western Australia Audit Office which provided sickness absence comparative information and advice on the management of sickness absence.

Appendices

15.1 The Audit Process

15.1.1 Audit Objectives

The objectives of the audit were to

- *evaluate the efficiency and effectiveness of sickness absence management*
- *examine the adequacy and compliance by agencies with Government and/or internal agency policy, guidance and practices for sickness absence management.*

15.1.2 Audit Criteria and Scope

The Audit Office reviewed the management of sickness absence within the NSW public sector from the following perspectives:

- there should be regular reviews of sickness absence levels/costs to ensure that they are reasonable
- adequate Government and/or internal agency policy and procedures for sickness absence management should exist and have been implemented
- there should be robust systems and internal controls in operation to ensure that a total and validated picture of sickness absence and its cost is available
- recruitment and induction practices should be used to reduce the risk of employees being poor attenders at work
- initiatives (incentives and deterrents) should be used to reduce levels of sickness absence
- prompt decisions should be made, and efficient procedures should be in place, when deciding whether an employee is capable of returning to their position
- sickness absence entitlements should be reasonable.

15.1.3 Audit Approach/Methodology

The audit approach/methodology adopted to form an opinion on the audit objectives and criteria involved:

- reviewing relevant literature and work undertaken on this subject by other audit jurisdictions (nationally and internationally)
- contacting peak bodies
- compiling/issuing a questionnaire to gather qualitative and quantitative information on sickness absence and management thereof
- obtaining benchmarks on sickness absence levels and entitlements
- analysing information gathered from responses to the questionnaire
- discussing with two private sector organisations their respective sickness absence management policy and practices
- discussing with representatives of the Public Sector Management Office, within the Premier's Department, sickness absence management policy and procedure with the NSW public sector
- undertaking fieldwork visits to a limited number of public sector agencies to confirm reliability of questionnaire responses and to review initiatives in sickness absence management for case study purposes
- compiling a model of better practice to facilitate benchmarking of current practices.

15.2 Leave Entitlements Public (NSW)/Private Sector

The leave entitlements of NSW public servants are set under various awards and agreements. The Crown Employees (Public Service Conditions of Employment 1997) Award (the Award) provides a typical example of the leave benefits provided. This award applies to all staff employed by agencies coming within Schedule 1 of the Public Sector Management Act 1988.

Leave entitlements under other awards and agreements within the NSW public sector tend to align with the Award. Exhibit 15 shows the leave entitlements/benefits provided under the Award and also that which is generally provided in the private sector.

Exhibit 15: Public (NSW)/Private Sector Employee Leave Entitlements				
Leave Type	NSW Public Sector Entitlements		Private Sector Entitlements	
	Days	%	Days	%
<i>The number of days in a year that on average an employee (Note 1) is available to work (Note 2)</i>	261.0	100.0	261.0	100.0
Less				
<i>Extended (Long Service) Leave</i>	11.0	4.2	4.0	1.5
<i>Family and Community Services/Compassionate Leave</i>	2.5	1.0	2.0	0.8
<i>Public/Picnic Holidays (Note 3)</i>	11.5	4.4	11.0	4.4
<i>Recreation (Annual) Leave</i>	20.0	7.7	20.0	7.7
Sick Leave	15.0	5.7	8.0	3.1
<i>The number of days in a year that on average an employee (Note 1) can actually be at work if leave entitlements are fully taken each year (Note 2)</i>	201.0	77.0	216.0	82.8

- Source:** 1. The Award
2. NSW Department of Industrial Relations

- Notes:** 1. The “average employee” is assumed here to be a full-time permanent employee working a 5 day week, ie Monday to Friday, and has worked for 15 years with the one employer.
2. This is not an all inclusive list of leave benefits available to employees for example maternity/paternity leave, jury service leave, study leave and leave without pay have been excluded.
3. The Anzac public holiday is assumed to occur within the period Monday to Friday.

15.3 Policy and Procedures

When developing or reviewing sickness absence policy and procedures, agencies should give consideration to the following issues/suggestions.

Policies and Procedures

1. General guides, for example the *Personnel Handbook*, may be of assistance when developing agency specific sickness absence policy and procedures.
2. The policy/procedures (whichever appropriate) should include:
 - a short policy statement discussing the impact of sickness absence on the organisation
 - all procedural aspects of sickness absence management (eg: reporting procedures [who, when, what], certification requirements, record maintenance, triggers and subsequent actions).
3. To ensure adequate knowledge and consistent practice is facilitated, distribute (by either hardcopy or electronic means) to all employees the sickness absence policy and procedures.
4. Provide training to all employees and management in the appropriate application of, and compliance with, the sickness absence policy and procedures.

Employee Attendance Records

5. Check that:
 - there are appropriate records of attendance/absence which are subject to independent review
 - records of employee absence are reconciled with the leave records to ensure the latter's completeness and accuracy
 - internal controls are adequate to ensure that all records of attendance that should exist do actually exist and are included in the reconciliation of attendance/absence records with leave records.

Information Technology

6. Ensure that information technology is used where possible for all employee absence records in order to facilitate data being readily available for absence management and administration purposes.

7. Ensure that information technology maintains and produces pertinent information/data for the management of sickness absences, for example:
- leave certified/uncertified statistics
 - day of week absence statistics
 - sickness absence (days and incidents) by individuals and occupational groupings
 - sickness absence (days and incidents) by organisational units and the organisation as a whole
 - percentage of working days lost to sickness absence
 - the direct cost of sickness absence
 - reasons for absence which when consolidated facilitate monitoring of the work environment and the identification of absence causes
 - the ability to access, produce and distribute, using a tiered reporting approach, on a regular basis, information for the management of sickness
 - ability to undertake statistical comparisons and analysis of sickness absence within the organisation.

- Sickness Absence Costs* 8. Sickness absence direct costs should be recorded as a separate line item in the general ledger.
9. In order to identify the true and fair cost of sickness absence within agencies, consolidate all sickness absence costs (the direct cost, overtime and additional/relief staff costs etc).

- Sickness Absence Targets* 10. Research and set agency specific targets, short and long term, for sickness absence (in consultation with the Premier's Department [PSMO]).
11. Periodically review targets in light of changes within and external to the organisation and where necessary revise accordingly.
12. Regularly monitor and compare actual sickness absence levels/costs to set targets to assist in assessing the success of management of sickness absence and to take action where necessary/appropriate.

-
- | | |
|--------------------------|--|
| <i>Benchmarking</i> | 13. Collect external sickness absence benchmarking data (nationally and internationally) of similar organisations to allow performance analysis/comparisons (in consultation with the Premier’s Department [PSMO]). |
| <i>Employee Advising</i> | 14. Advise employees of targeted and actual sickness absence levels/costs for the organisation as a whole and work units within the organisation through such means as staff newsletters/publications, electronic mediums, memos, team briefings etc. |
| <i>Trigger Points</i> | <p>15. Develop trigger points for employee absence situations involving:</p> <ul style="list-style-type: none"> • frequent short-term absences • absences displaying trends • long-term absences <p>to ensure that sickness absence can be proactively managed and ultimately that the cost/level of sick leave is reasonable. Short-term absence triggers should cover incidents of leave taken and the totality of the leave taken by individual employees.</p> <p>16. Check that there are systems in place to ensure that:</p> <ul style="list-style-type: none"> • there are regular reviews to see if sickness absence trigger points have been activated • appropriate action is undertaken when trigger points have been activated. |
| <i>Training</i> | <p>17. Provide training to managers/supervisors to:</p> <ul style="list-style-type: none"> • identify problem situations • productively manage absence levels • conduct effective return-to-work interviews • provide appropriate counselling to employees. |
| <i>Recruitment</i> | <p>18. To reduce the risk of recruiting poor attenders and/or make appropriate work place adjustments:</p> <ul style="list-style-type: none"> • contact, where feasible, current and/or previous employers and ask to be provided with information on potential employees attendance history as a normal part of reference checks • require new employees to complete health declarations as a minimum prerequisite for any positional employment, promotion or transfer that occurs. |

- New Employees* 19. Give all new employees a copy of, and training in the application of, the sickness absence management policy and procedures as part of the induction process.
20. Closely monitor a new employee's attendance level during the probationary period and take appropriate action if the level of sickness absence is unsatisfactory.
- Warnings* 21. Use warnings as a deterrent to control the level of sickness absence.
- Formal Discipline* 22. Have sickness absence procedures that allow directly or indirectly for the formal disciplining of an employee with a consistently unsatisfactory attendance record.
- Initiatives* 23. Consider introducing a wide variety of deterrents/incentives, enabling selective and graduated application of deterrents/incentives, to control/reduce the level of employee sickness absence.
- When initiatives (deterrents, incentives) are introduced to reduce sickness absence levels the effectiveness and efficiency of the initiatives should be regularly assessed.
- Return to Work Interviews* 24. Through line managers/supervisors, conduct return-to-work interviews, however informal, as far as possible with all employees upon their return-to-work from a sickness absence in order to reinforce the good attendance message. Ideally, this should be undertaken as part of the authorisation of sickness absence.
- Extended Absence Prescriptive Advice* 25. Give prescriptive guidance in the sickness absence procedures regarding notification of extended absence. These guidelines should discuss the form and frequency of notification required.
- Contact Maintenance* 26. Maintain contact, either by telephone or visit, with employees on long-term sickness absence.

15.4 List of Exhibits

Exhibit 1: NSW Public Sector Human Resources 199 3 1997	5
Exhibit 2: NSW Public Sector Human Resource Costs 199 3 1997	6
Exhibit 3: Individual Agency Sickness Absence (Average) 199 6 7	8
Exhibit 4: Sickness Absence per Employee	9
Exhibit 5: Percentage Change in Average Sickness Absence per EFT Employee 199 6 97 Compared with 199495	9
Exhibit 6: Unproductive Working Days Sickness Absence 199 6 7	10
Exhibit 7: Day of Week on which Sick Absence Occurred/Began in 199 6 7 5 Day Working Week (Monday - Friday)	11
Exhibit 8: Day of Week on which Sick Absence Occurred/Began in 199 6 7 7 Day Working Week (Monday - Sunday)	11
Exhibit 9: Direct Cost of Sickness Absence 199 4 7 (measured in 1996-97 dollars)	12
Exhibit 10: NSW Public Sector Sickness Absence Levels Compared with Other Public Sectors and the Private Sector - Average Days Sickness Absence	13
Exhibit 11: NSW Public Sector Compared with Other Public Sectors and the Private Sector - Average Percentage of Workforce Away Sick	14
Exhibit 12: Potential for Lowering Direct Cost of Sickness Absence from NSW Public Sector Sickness Absence Level Reductions	16
Exhibit 13: Performance Audit Cost by Line Item	25
Exhibit 14: Management of Sickness Absence Better Practice Guide Cost	25

15.5 Glossary of Terms

Absence Rate (Working Days “Lost”)	<p>The absence rate (also referred to as the percentage of employees away on an average day) is calculated as:</p> $\frac{\text{number of sick leave days (for all employees)}}{\text{number of working days (employee} \times \text{ working days)}}$
Absences Displaying Trends	<p>Absence trends include absences which frequently fall on a particular day of the week (eg: majority of absences fall on a Monday) or absences which fall on the days prior to or after a public holiday or a rostered-day-off.</p>
Average Sick Absence Days per Employee	<p>Sick leave day per employee (also referred to as days absence or lost time rate) is calculated as:</p> $\frac{\text{number of sick leave days}}{\text{number of employees}}$ <p>This is the arithmetic average or arithmetic mean and is one measure of central tendency.</p>
Certification	<p>Certified sickness absence means:</p> <ul style="list-style-type: none"><input type="checkbox"/> for any sick leave absence - a certificate issued by a registered medical practitioner<input type="checkbox"/> for sick leave absence to a maximum of one week duration - a certificate issued by a registered dentist, optometrist, chiropractor, osteopath, physiotherapist, or oral and maxillo facial surgeon.
Day of Week (of absence)	<p>Day of week (of absence) refers to the day of the week an employee’s absence on sick leave occurred/began (eg: Monday, etc).</p>
Direct Cost per Sick Absence Day	<p>The cost of sick leave is calculated as:</p> $\text{cost of salaries} \times \frac{\text{number of sick leave days}}{\text{number of working days} \times \text{number of employees}}$
Duration (of absence)	<p>For the purposes of this report, duration of absence refers to the length of absence in working days.</p>
Family and Community Service Leave (FACS)	<p>The <i>Personnel Handbook</i> describes Family and Community Service Leave as leave which may be granted by the Department Head to employees:</p> <ul style="list-style-type: none"><input type="checkbox"/> for reasons related to family responsibilities<input type="checkbox"/> for the performance of community service, or<input type="checkbox"/> in cases of pressing necessity.

Health Declaration	A health declaration is an assertion made by the employee (in writing) regarding any illness, disability or condition which may affect the employees ability to carry out the duties of their position.
Income Protection Insurance	A premium is paid to ensure that remuneration levels are maintained for a period because of unemployment or when illness or injury prevent a person from normal working and associated income receipt.
Initiatives	Initiatives is a broad term used to describe any incentives/deterrents (for example campaigns and programs) introduced to assist in the reduction of sickness absence levels.
Leave Bank	A leave bank is a scheme whereby employees receive an annual “bank” of paid time to be used for absence (eg: sickness, recreation) rather than separate entitlements for each leave type. Each employee must manage their leave bank wisely and may use it at their own discretion. When the leave bank balance is nil any further leave requirements will be unpaid. However, management has the discretion to grant further paid leave having regard to the employee’s performance/productivity.
Medical Certificate Requirement	Medical certificate requirement describes a situation where an employee is required to produce medical certificates for all sick leave absences, regardless of duration.
NSW Public Sector	<p>The NSW Public Sector from a whole of government point of view for the purposes of this audit encompasses:</p> <ul style="list-style-type: none"> • Budget Sector Agencies ie those units of government which: <ul style="list-style-type: none"> ↳ rely predominantly on the State Budget for direct funding (that is approximately 50% or more of the total funding for each agency is provided by the Consolidated Fund) of operations rather than user charges ↳ are generally known as departments as defined by Section 45A(1) of the Public Finance and Audit Act 1983 and are listed in Schedule 3 of the Act. • Non Budget Sector Agencies ie those units of government which: <ul style="list-style-type: none"> ↳ other than Budget Sector Agencies which rely predominantly on user charges to fund operations and their capital works from borrowings and internal funds

↳ generally known as statutory bodies as defined under Section 39(1) of the Public Finance and Audit Act 1983 and are listed in Schedule 2 of the Act

↳ including Company and Statutory State Owned Corporations, for example Sydney Water Corporation Limited, electricity distributors, rail and port authorities

- entities for example companies which are controlled by Budget and Non Budget Sector Agencies.

However, excluded from the foregoing are all entities where it is considered that the State does not have “control” over day-to-day financial and operating policies and activities, for example universities.

Percentage of Employees Away See **Absence Rate** above.

Personnel Handbook The *Personnel Handbook, Public Service of New South Wales, December 1997 Edition*, provides guidance on legislation, awards, agreements and determinations relating to conditions of employment in the NSW public service.

Return-to-work Interviews A return-to-work interview is a discussion, either formal or informal, conducted with an employee after a period of absence.

Self-certification (of sick leave) Self-certification describes a situation where an employee, returned from sick leave, provides a reason for the absence and an assertion that the illness was genuine (usually on the sick leave application form), not a medical certificate. While circumstances where self-certification is permissible vary between agencies, in general the public sector standard as per the *Personnel Handbook* allows for self-certification for absences of 3 consecutive days or less.

Sickness Absence The term sickness absence for the purposes of this Report only includes an absence from place of employment because of the employee’s illness or injury for which sick leave entitlement is used, that is personal/carer’s absences from work by employees for which sick leave entitlement is used are excluded.

Sick Absence Day(s) Sick absence day(s) is the day(s) of absence from place of employment for which sick leave entitlement is used.

Sick Absence Cost as a Percentage of Salaries	The cost of sick leave as a percentage of salaries is calculated as: $\frac{\text{direct cost of sick leave (see above)}}{\text{cost of salaries}}$
Sick Absence Incident(s)	A sick leave incident is any period (ie: up to one day, one day, or greater than one consecutive day) of absence from place of employment for which sick leave entitlement is used. The distinction between Sick Leave Day and Sick Leave Incident is demonstrated in the following example: An employee takes four (4) consecutive days of sick leave. This absence equates to: <ul style="list-style-type: none"> • four (4) Sick Leave Days; and • one (1) Sick Leave Incident.
Sickness Absence Management Policy	The Sickness Absence Management Policy articulates the organisation's attitude to sickness absence.
Sickness Absence Procedures	Sickness Absence Procedures are instructions/guidelines which provide the means of implementing the organisations attitude to sickness absence. They outline the steps for dealing with sickness absence issues and detail alternative courses of action.
Target(s)	A target for sickness absence is a benchmark against which to measure the success of management procedures and provide a goal for which to aim.
Trigger Point(s)	Trigger points are benchmarks used to assess inappropriate or excessive levels of sickness absence.
Warnings	A warning may be given to an employee when explanations for continued poor attendance are deemed to be unsatisfactory and/or when unexplained absence patterns have been identified.

15.6 Acronyms

CED	Cullen, Egan and Dell Limited
HRM	HRM Consulting Limited
EFT	Effective fulltime
FACS	Family and Community Service Leave
NSW	New South Wales
PSMA	Public Sector Management Act 1988
PSMO	Public Sector Management Office
the Award	The Crown Employees (Public Service Conditions of Employment 1997) Award

Performance Audit Reports

Agency or Issue Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
Department of Housing	<i>Public Housing Construction: Selected Management Matters</i>	5 December 1991
Police Service, Department of Corrective Services, Ambulance Service, Fire Brigades and Others	<i>Training and Development for the State's Disciplined Services: Stream 1 - Training Facilities</i>	24 September 1992
Public Servant Housing	<i>Rental and Management Aspects of Public Servant Housing</i>	28 September 1992
Police Service	<i>Air Travel Arrangements</i>	8 December 1992
Fraud Control	<i>Fraud Control Strategies</i>	15 June 1993
HomeFund Program	<i>The Special Audit of the HomeFund Program</i>	17 September 1993
State Rail Authority	<i>Countrylink: A Review of Costs, Fare Levels, Concession Fares and CSO Arrangements</i>	10 December 1993
Ambulance Service, Fire Brigades	<i>Training and Development for the State's Disciplined Services: Stream 2 - Skills Maintenance Training</i>	13 December 1993
Fraud Control	<i>Fraud Control: Developing an Effective Strategy (Better Practice Guide jointly published with the Office of Public Management, Premier's Department)</i>	30 March 1994
Aboriginal Land Council	<i>Statutory Investments and Business Enterprises</i>	31 August 1994
Aboriginal Land Claims	<i>Aboriginal Land Claims</i>	31 August 1994
Children's Services	<i>Preschool and Long Day Care</i>	10 October 1994
Roads and Traffic Authority	<i>Private Participation in the Provision of Public Infrastructure (Accounting Treatments; Sydney Harbour Tunnel; M4 Tollway; M5 Tollway)</i>	17 October 1994
Sydney Olympics 2000	<i>Review of Estimates</i>	18 November 1994
State Bank	<i>Special Audit Report: Proposed Sale of the State Bank of New South Wales</i>	13 January 1995
Roads and Traffic Authority	<i>The M2 Motorway</i>	31 January 1995
Department of Courts Administration	<i>Management of the Courts: A Preliminary Report</i>	5 April 1995
Joint Operations in the	<i>A Review of Establishment, Management</i>	13 September 1995

Agency or Issue Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
Education Sector	<i>and Effectiveness Issues (including a Guide to Better Practice)</i>	
Department of School Education	<i>Effective Utilisation of School Facilities</i>	29 September 1995
Luna Park	<i>Luna Park</i>	12 October 1995
Government Advertising	<i>Government Advertising</i>	23 November 1995
Performance Auditing In NSW	<i>Implementation of Recommendations; and Improving Follow-Up Mechanisms</i>	6 December 1995
Ethnic Affairs Commission	<i>Administration of Grants (including a Guide To Better Practice)</i>	7 December 1995
Department of Health	<i>Same Day Admissions</i>	12 December 1995
Environment Protection Authority	<i>Management and Regulation of Contaminated Sites: A Preliminary Report</i>	18 December 1995
State Rail Authority of NSW	<i>Internal Control</i>	14 May 1996
Building Services Corporation	<i>Inquiry into Outstanding Grievances</i>	9 August 1996
Newcastle Port Corporation	<i>Protected Disclosure</i>	19 September 1996
Ambulance Service of New South Wales	<i>Charging and Revenue Collection (including a Guide to Better Practice in Debtors Administration)</i>	26 September 1996
Department of Public Works and Services	<i>Sale of the State Office Block</i>	17 October 1996
State Rail Authority	<i>Tangara Contract Finalisation</i>	19 November 1996
NSW Fire Brigades	<i>Fire Prevention</i>	5 December 1996
State Rail	<i>Accountability and Internal Review Arrangements at State Rail</i>	19 December 1996
Corporate Credit Cards	<i>The Corporate Credit Card (including Guidelines for the Internal Control of the Corporate Credit Card)</i>	23 January 1997
NSW Health Department	<i>Medical Specialists: Rights of Private Practice Arrangements</i>	12 March 1997
NSW Agriculture	<i>Review of NSW Agriculture</i>	27 March 1997
Redundancy Arrangements	<i>Redundancy Arrangements</i>	17 April 1997
NSW Health Department	<i>Immunisation in New South Wales</i>	12 June 1997

Agency or Issue Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
Corporate Governance	<i>Corporate Governance Volume 1 : In Principle Volume 2 : In Practice</i>	17 June 1997
Department of Community Services and Ageing and Disability Department	<i>Large Residential Centres for People with a Disability in New South Wales</i>	26 June 1997
The Law Society Council of NSW, the Bar Council, the Legal Services Commissioner	<i>A Review of Activities Funded by the Statutory Interest Account</i>	30 June 1997
Roads and Traffic Authority	<i>Review of Eastern Distributor</i>	31 July 1997
Department of Public Works and Services	<i>1999-2000 Millennium Date Rollover: Preparedness of the NSW Public Sector</i>	8 December 1997
Sydney Showground, Moore Park Trust	<i>Lease to Fox Studios Australia</i>	8 December 1997
Department of Public Works and Services	<i>Government Office Accommodation</i>	11 December 1997
Department of Housing	<i>Redevelopment Proposal for East Fairfield (Villawood) Estate</i>	29 January 1998
NSW Police Service	<i>Police Response to Calls for Assistance</i>	10 March 1998
Fraud Control	<i>Status Report on the Implementation of Fraud Control Strategies</i>	25 March 1998
Corporate Governance	<i>On Board: guide to better practice for public sector governing and advisory boards (jointly published with Premier's Department)</i>	7 April 1998
Casino Surveillance	<i>Casino Surveillance as undertaken by the Director of Casino Surveillance and the Casino Control Authority</i>	10 June 1998
Office of State Revenue	<i>The Levying and Collection of Land Tax</i>	5 August 1998
NSW Public Sector	<i>Management of Sickness Absence NSW Public Sector Volume 1: Executive Briefing Volume 2: The Survey - Detailed Findings</i>	August 1998



NSW Government



THE AUDIT OFFICE MISSION
Auditing in the State's Interest

For further information please contact:

The Audit Office of New South Wales

Street Address

Level 11
234 Sussex Street
SYDNEY NSW 2000
Australia

Postal Address

GPO Box 12
SYDNEY NSW 2001
Australia

Telephone (02) 9285 0155
Facsimile (02) 9285 0100
Internet <http://www.audit.nsw.gov.au>
e-mail mail@audit.nsw.gov.au

Office Hours: 9.00am - 5.00pm Monday to Friday

Contact Officer: Tom Jambrich
Assistant Auditor-General
+612 9285 0051

To purchase this Report please contact:

The NSW Government Information Service

Retail Shops

Sydney CBD

Ground Floor
Goodsell Building
Chifley Square
Cnr Elizabeth & Hunter Sts
SYDNEY NSW 2000

Parramatta CBD

Ground Floor
Ferguson Centre
130 George Street
PARRAMATTA NSW 2150

Telephone and Facsimile Orders

Telephone

Callers from Sydney metropolitan area 9743 7200
Callers from other locations within NSW 1800 46 3955
Callers from interstate (02) 9743 7200

Facsimile (02) 9743 7124