

## Chapter 5

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### Prison Service

## 5.1 The Management of Sick Leave in Prisons

### Background

In my report on the Appropriation Accounts for 2002, I commented on the management and cost of Sick Leave in Prisons, highlighting that total sick leave days availed of in 2002 were 60,544 equating to 19 days per Prison Officer availing of sick leave in that year and costing an estimated €8.6m in additional overtime.

### Consideration and Follow Up

The matter was considered by the Public Accounts Committee on 5 February 2004 and the Committee, in its June 2005 Report made the following findings

- Available statistics point to some abuse by staff of sick leave privileges
- A determined effort has been made by the Department and the Prison Service to address the problem of sick leave
- The Prison Service does not have adequate information or research into the causes of sick leave and is working to resolve this
- There has been significant investment in information technology, which is expected to improve the quality of management information on sick leave and human resource management
- Migration to an annualised hours system would remove the incentive element of the link between sick leave and overtime.

The key general recommendations of the Committee were

- There should be more monitoring and evaluation of the causes of sick leave in the prison service
- The factors leading to high levels of sick leave in some locations should be tackled.

These recommendations were subsequently considered by the Department of Justice Equality and Law Reform who advised the Minister for Finance that the key recommendations were accepted.

### 2006 Examination

In the course of my audit of the 2006 Appropriation Accounts I noted that the Prison Service had calculated the average sick leave per Prison Officer in 2006 as 26.36 days<sup>25</sup>. In view of the apparent significant deterioration in the position since my 2002 Report I decided to examine the matter further. The objectives of my 2006 examination were to establish what changes had occurred in the incidence and management of sick leave since 2002, and to review the actions taken on foot of my earlier findings and the subsequent discussions and recommendations by the Public Accounts Committee and the response of the Department and the Prison Service. The audit findings are based on the information collected through

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<sup>25</sup> Figures for the years 1997 to 2002 were prepared on the basis of officers actually availing of sick leave in those years whereas the figures for the years 2003-2006 provided by the Prison Service are based on staff numbers actually serving at the end of the years in question. This has the effect of somewhat understating the 2003-2006 figures by comparison with those for earlier years.

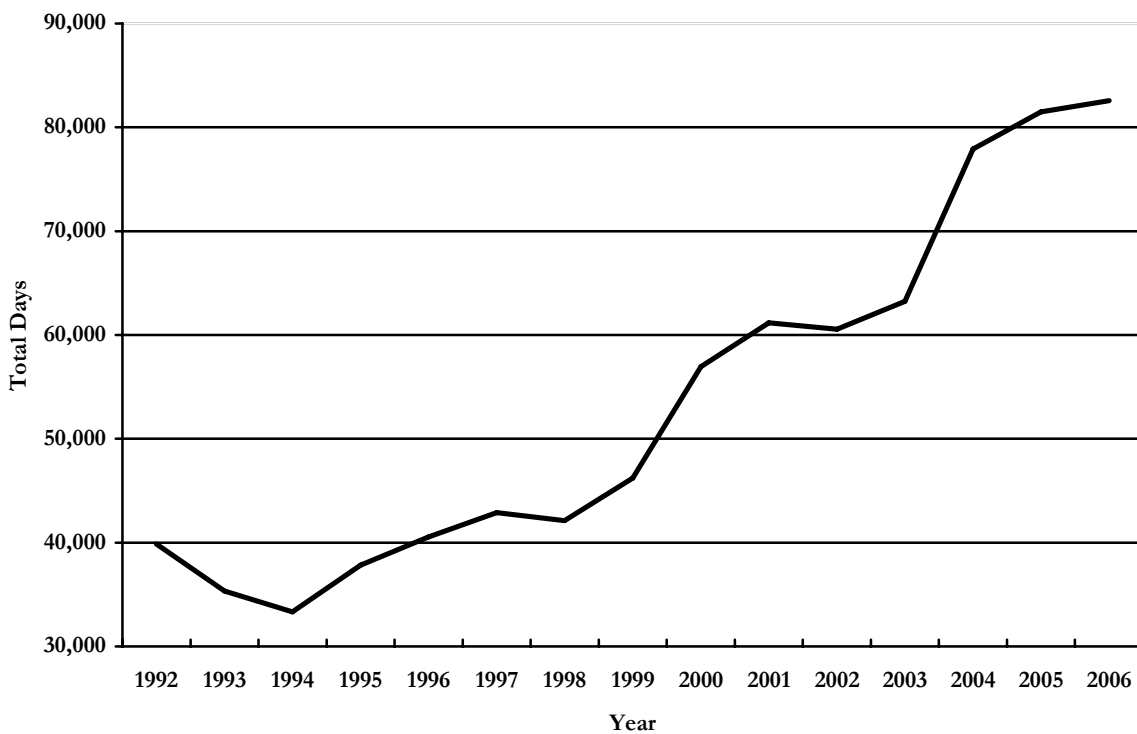
document analysis, an initial audit questionnaire, review of Internal Audit Reports, and interviews with senior management in the Prison Service.

### Increase in Overall Level of Sick Leave since 2002

Figure 3 illustrates the trend in Prison sick leave over the last 15 years. Updated data provided by the Prison Service indicates that the annual level of prison sick leave increased from 19 days per staff member in 2002 to 26.36 days in 2006. The bulk of this occurred between 2003 and 2004 when sick leave days per staff member increased by almost 25% from 19.97 days in 2003 to 24.98 days in 2004. Total sick days increased from 60,544 in 2002 to 82,580 in 2006.

Sick days recorded include rest days falling within a period of sick leave and do not therefore reflect the actual number of working days lost. It should also be noted that the number of Prison Officers increased from approximately 2,300 in 1992 to almost 3,150 at end 2006.

**Figure 3 Trends in Prison Sick Leave 1992 - 2006**



The Prison Service has stated that it was always understood that sick leave was a major contributing factor to the overtime problem in the Prison Service, and that priority had been given to concluding negotiations on implementing organisational change and eliminating overtime. While senior management was conscious of the ongoing increase in sick leave, no in depth analysis was done as all attention was focused on a successful conclusion of the change process. The significant increase in 2004 may have been attributable, in part, to the efforts to effect radical change as tensions were high and staff were being conditioned to the impending change. The standard sick leave regulations were followed and available sanctions continued to be used but it was considered that from a ‘political’ point of view the time was not right for a concentrated crack down on sick leave.

## Analysis of Sick Leave Patterns by Location

The 25% increase in sick days taken between 2003 and 2004 across the Prison Service as a whole did not occur uniformly in different prisons as can be seen from Table 26. Certain prisons show a markedly higher incidence of sick leave taken per prison officer employed than others. There was an improvement in Beladd, Training Unit, and the Curragh (which closed as a prison in January 2004). However, all other prisons showed a deterioration that ranged from 3% in Cork, through 18% in Mountjoy (where the largest number of sick days occurred), to 208% in the Building Service. The prisons displaying sick leave trends above the average *e.g.* Cork and Limerick were also in that position at the time of the 2002 examination.

**Table 26 Analysis of Changing Patterns of Sick Leave by Prison 2003 – 2006**

Prison	2003		2004		% Change per capita 2004/2003	2005		2006	
	Total Sick Days	Sick Days per officer	Total Sick Days	Sick Days per officer		Total Sick Days	Sick Days per officer	Total Sick Days	Sick Days per officer
Curragh	1,002	14.31	20	1.82	-87%	0	0	0	0
Beladd	28	7.0	71	5.92	-15%	10	0.83	124	10.33
Training Unit	2,084	28.16	1,938	26.55	-6%	2,260	31.39	2,068	28.72
Prison Service Escort Corps	0	0	0	0	0%	42	0.58	2,805	17.92
Cork	6,675	30.07	8,069	30.92	3%	10,127	38.22	9,293	40.58
Wheatfield	6,524	20.61	6,749	21.56	5%	7,308	23.27	7,435	24.42
Castlereagh	3,813	23.68	4,199	25.92	9%	3,691	23.66	4,120	25.83
Portlaoise	7,577	23.68	8,321	27.10	14%	8,953	29.55	10,533	35.71
Mountjoy	10,332	20.83	12,486	24.60	18%	11,765	24.18	10,867	21.71
Arbour Hill	1,718	14.26	2,054	17.86	25%	2,555	22.61	2,688	24.44
Midlands	5,914	17.76	8,773	22.58	27%	8,892	26.08	6,584	19.14
Loughan Hse	672	15.27	877	20.40	34%	1,007	22.89	521	11.33
Limerick	4,560	23.57	7,249	33.25	41%	7,643	35.88	7,601	35.35
Cloverhill	6,043	15.72	8,432	22.88	46%	7,751	22.08	7,030	20.62
St. Patrick's Institution	2,864	15.74	4,309	24.28	54%	4,783	25.99	5,947	30.04
Mountjoy/Female	1,285	15.21	2,204	24.76	63%	3,128	35.75	3,581	39.79
Shelton Abbey	447	10.90	995	27.26	150%	1,342	33.55	1,049	23.84
Fort Mitchell	1,473	15.67	531	40.85	161%	0	0	0	0
Building Services	219	8.76	648	27.00	208%	246	10.70	334	20.88
<b>Total</b>	<b>63,230</b>	<b>19.97</b>	<b>77,925</b>	<b>24.98</b>	<b>25%</b>	<b>81,503</b>	<b>26.48</b>	<b>82,580</b>	<b>26.36</b>

## Introduction of Annualised Hours in 2005

In response to my inquiries the Accounting Officer told me that the proposal for Organisational Change in the Irish Prison Service 2005, which was negotiated between the Prison Officers Association (POA) and the Prison Service, with assistance from the Labour Relations Commission and the Civil Service Arbitration Board, resulted in a major change to working practices in the Prison Service.

The proposal was accepted in August 2005 by prison staff and was operational in all institutions by February 2006, with the rolling out of the annualised hours system. The deal aims to bring to an end the overtime culture among prison staff. Overtime working, which peaked at 2.1 million hours at a cost of €59.3m in 2002, has now been replaced with the new additional hours attendance system. The objective of the new arrangements is to reverse the old overtime culture of working as many hours as possible and to introduce a system of “smart” working. Staff are now contracted for a defined number of additional hours that cannot be exceeded in any year.

In lieu of the overtime lost, all prison officers were paid a bonus payment of approximately €13,000 per officer payable over a three year period. Following a decision of the Labour Relations Commission in October 2005 the first phase payment was made to staff on long-term sick leave. It also decided that this first phase payment was to be made to staff on suspension, in the event of, and at the time of their return to work.

Previously, an Officer could recoup the cost of taking sick leave by doing overtime; this is now not the case. Under the annualised hours system, if an officer fails to report when due for additional hours duty, the additional hours that officer was liable for are deducted from that officer. There is no opportunity to work back those hours or to be paid for them at a later date. Only in exceptional mitigating circumstances (*i.e.* an accident on the way to work) can the officer be given the opportunity to nominate an alternative day, so as not to incur a monetary loss.

Migration to an annualised hours system was intended to remove the incentive element of the link between sick leave and overtime. The Department, in its response to the Public Accounts Committee report indicated that an assumption of a 33% reduction in sick leave is built into the new system.

In response to my inquiries, the Prison Service explained that the assumption of a 33% drop in sick leave was adopted as a reasonable target having regard to experiences in other employments on the introduction of annualised hours and given the unique features of Prison Service employment. While specific sanctions were not provided in the event of the failure to achieve the assumed reduction of 33%, there was provision for regular review of the operation of the new arrangements and it was open to Prison Service management to raise the matter and take action to address it. Failure to achieve the expected reduction in sick leave would impact primarily on staff, as they have to provide cover from their additional hours allocation. The net effect of poor attendance is that staff will end up working more and more of their additional hours and the ‘write-offs’ (*i.e.* payment for hours not worked which is a unique feature of the annualised hours system) will not be achieved. The primary concern of management in relation to additional hours is that agreed budgets are not breached and there was sufficient leeway built in to ensure that did not happen.

The savings attributable to the expected 33% reduction in sick leave are included in the savings expected from the operation of the annualised hours system, which arise from the application of a budget of 1 million additional hours as opposed to the 2.1 million overtime hours used in 2003.

## Other Actions to Reduce the Level of Sick Leave

My audit noted the following initiatives, which might be expected to make a contribution to reducing the incidence of sick leave in the medium term

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- In January 2006, a Senior Psychologist was appointed to work with prison staff
- There are quarterly meetings with Governors to discuss actions to be taken in respect the cases identified in management reports of staff with a high level of certified or uncertified sick leave
- An Anti Harassment, Sexual Harassment and Bullying Policy for the Prison Service was adopted in March 2007
- Training for line managers is currently taking place to support those charged with implementing the Prison (Disciplinary Code for Officers) Rules, 1996 to assist with more effective and informed management of staff
- A Chief Welfare Officer was appointed in April 2007 with a view to developing the Employee Assistance Programme.

The Prison Service has provided details of further actions as follows

- Governors are encouraged to hold return to work interviews that ensure that the appropriate steps are taken whether through support or sanction. These take place in a number of prisons at present. Prisons HR are working with Governors on a sick leave protocol to ensure a common approach to the management of sick leave at local level, and to implement controls to ensure the protocol is followed.
- Management is working towards a more consistent application of the disciplinary sanctions available to control absenteeism. Officers are regularly and severely warned of the consequences of taking excessive sick leave or abusing the sick leave system. Up to the end of April 2007, 132 officers were on the Schedule of Leave without Pay, 94 had the privilege of payment for uncertified sick leave withdrawn and 14 were issued with notice that they were being considered for dismissal. Other sanctions imposed included deferral of increments and exclusion from promotion. One officer had recently been dismissed and a number had their probation terminated.
- Consultations were ongoing with the Department of Finance, Department of Justice Equality and Law Reform and the Office of the Chief Medical Officer on the establishment of an Occupational Health Unit dedicated to the particular occupational needs of prison staff.

### **Sick Leave Statistics for January – April 2007**

The Prison Service has provided me with sick leave statistics for the four-month period of January to April 2007, together with similar information for the same period in 2006. Details are shown in Table 27. Total sick days for the first four months of 2007 as reported by the IPS have fallen to 22,765 from the equivalent 2006 figure of 24,893. The average sick days per officer for those four months has fallen from 7.99 to 7.17 *i.e.* a fall in excess of 10%. The Prison Service attributes the improvement to increased vigilance in tackling absenteeism together with the bedding in of the additional hours system. In the open institutions and the smaller prisons where the new arrangements were introduced first, the reduction in sick leave came about quite quickly. While a positive impact was slower to manifest itself in the larger institutions, nevertheless improvements were now becoming evident. The Prison Service considers that the full effect of the new system will not become apparent until the end of the second year of operation in February 2008, and has projected that annual sick leave days per capita will fall as far as 22.92 days per head in 2007.

Table 27 Comparison of Prison Sick Leave for period Jan-April 2006 with Jan-April 2007

Prison	Jan-April 2006		Jan-April 2007		% Variation in Sick Days per Officer
	Total Sick Days	Sick Days per Officer	Total Sick Days	Sick Days per Officer	
Arbour Hill	773	6.90	630	5.58	-19.22
Beladd	33	1.14	24	0.43	-62.34
Building Services Division	73	3.17	34	2.00	-36.99
Castlereagh	1,276	8.13	1,100	6.83	-15.93
Cloverhill	2,260	6.67	1,703	4.99	-25.09
Cork	2,995	13.02	2,244	9.76	-25.08
Limerick	1,967	9.23	2,234	10.25	+10.97
Loughan House	282	6.71	124	2.70	-59.85
Midlands	2,174	6.39	2,050	5.91	-7.61
Mountjoy	3,308	6.92	2,990	6.02	-13.07
Mountjoy Female	838	9.52	1,143	12.84	+34.86
Portlaoise	2,916	9.72	2,418	8.03	-17.35
Prison Service Escort Corps	595	4.25	1,169	7.64	+79.78
Shelton Abbey	345	8.21	236	5.76	-29.93
St. Patrick's Institution	1,690	8.67	1,535	7.83	-9.64
Training Unit	653	8.95	534	7.42	-17.09
Wheatfield	2,715	8.59	2,597	8.80	+2.46
<b>Overall Total</b>	<b>24,893</b>	<b>7.99</b>	<b>22,765</b>	<b>7.17</b>	<b>-10.16</b>

## Data Capture and Management

When I reported on the management of sick leave in 2002, data was captured and managed using a non-integrated HR system. In the context of discussions and replies to my 2002 report the Prison Service stated that

*"..we have made a very good investment in information technology, including a computerised system for time and attendance which has been deployed in all of our institutions. We have a pretty good record system and we are beginning to derive the benefits of it. 26"*

The Public Accounts Committee found that there had been significant investment in information technology which was expected to improve the quality of management information on sick leave and human resource management.

My 2004 Annual Report<sup>27</sup> noted that the new HRMS (Human Resource Management System) system had not been successfully implemented in the Prison Service and a decision was taken to revert back to a previous DataEase system. This system is operated independently in 17 different locations throughout

<sup>26</sup> Public Accounts Committee meeting 5 February 2004.

<sup>27</sup> Page 49 Annual Report of Comptroller and Auditor General 2004.

the country. It is dependent on the input of the causes of sick leave by individual users at each prison and only reports on individual officers can be produced. Prison Service Headquarters does not generate summary management reports analysing the causes of sick leave across the Prison Service.

In the course of revisiting the incidence and management of sick leave, I noted that consultants had been employed in December 2005 to analyse the HR business process and define the requirements for a Human Resource Information System (HRIS). The consultants reported in April 2006 that there was a clear requirement to upgrade the current HR system and the main question was what choice would best meet Prison Service requirements.

In its response, the Prison Service confirmed that there had been major investment and improvement in management information systems over the last number of years including a

- Time and Attendance system which records the attendance and work patterns of all staff in the prisons up to, and including Deputy Governor, and has automated the calculation of hours worked, reports, and the input of details to the payroll process
- Prisoner Records and Information System providing all prisoner demographic details and access to records for the entire prison system and facilitating ease of transfer
- Prisoner Medical Records System giving a full view of a prisoner's medical history including appointments, reviews and medication.

The consultants examined the existing HR systems including DataEase, Time and Attendance, Corepay and Lotus Notes. Difficulties noted in the April 2006 report included the low level of integration between the systems and the degree of manual intervention to transfer data between the systems. Particular shortcomings were identified in the DataEase system in terms of controls, procedures and the production of management reports. Recommendations included the need for the streamlining of processes, the centralisation of the Time and Attendance system and a phased implementation approach.

The follow-up to the consultants' report was delayed by a number of significant changes and in particular the ongoing decentralisation process and consequent high turnover of staff at all levels. Currently, as a first step, the absence management and reporting issues are being examined together with the question of replacing the DataEase system. Consultations are ongoing with system developers.

The Prison Service action plan under *Towards 2016* contains a specific commitment to develop and put in place a new HRMS and commence roll-out across prisons in July 2008.

## Monitoring and Evaluation of Underlying Causes of Sick Leave

It has been accepted by the Department that research into the underlying causes of sick leave and absenteeism was required. I inquired as to why little progress seems to have been made in this regard since 2002, and whether there had been any significant changes in the medical factors giving rise to sick leave since that date in comparison with those reported for the period 2000-2002.<sup>28</sup>

The Prison Service stated that research had not been prioritised in the period under review due to the focus on the negotiation and implementation of the new working arrangements. It was considered that the new system should be allowed to settle before undertaking the research in question. However, the Prison Service included the commissioning of this research as a key commitment in its Action Plan under the current National Agreement *Towards 2016*. Work was well under way to tender for consultants to undertake the project.

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<sup>28</sup> See Table 4.5 of my 2002 Annual Report.

The aim of the research will be to examine absenteeism focusing on the causes of sick leave across each institution, patterns of absence, injuries on duty, the nature of the working environment, and the effects of shift work. It will also draw on international comparisons with prisons elsewhere. It is envisaged that the research will better inform management on how best to tackle and manage absenteeism with a focus on prevention, occupational health interventions, early warning systems and on the collation of statistics.

As regards changes since 2002 in the factors giving rise to sick leave, I was informed that no specific data was available as the DataEase system did not have the capacity to generate reports identifying the causes of absences. Another factor was that some absences were recorded as 'no cause stated'. However, it was stated that an increase in the number of absences citing various forms of stress had been noted.

## **Cost of Sick Leave**

Absences on sick leave give rise to both direct and indirect costs. Direct costs consist of the payments made to individual officers when absent on sick leave. Indirect costs consist of additional payments made to officers who undertake the duties of their absent colleagues. I sought information on these direct and indirect costs for the years 2002 to 2006 and some related details. I also noted that while the total sick days in the prison system grew from 63,230 to 77,925 to 81,503 over the years 2003 to 2005, the number of days covered by overtime fell from 41% (2003) to 33% (2004) to 31% (2005).

The Prison Service stated that a breakdown of payments made to officers, when absent on sick leave, was not available. Overtime figures or sick leave overtime days were not available for 2006 due to the commencement of the annualised hours system in November 2005. With regard to the decrease in the number of days compensated by overtime between 2003 and 2005, it was stated that this should be considered in the context of the negotiations which were ongoing over that period. The Prison Service operated for the most part on increasing levels of overtime up to 2003 when annual overtime expenditure was running at about €59m. During the negotiations determined efforts were made to reduce overtime expenditure by the imposition of strictly controlled budgets and overtime reduced significantly in 2004 and 2005. In order to live within the allocated budgets, Governors were obliged to make serious cutbacks that would have involved not replacing absent staff. Services would have suffered as a consequence. It was recognised that such a situation could not be sustained indefinitely and that the required organisational change would have to be implemented.

## **General Response of the Accounting Officer**

The Accounting Officer has informed me that any examination of sick leave, or indeed any other aspect of the management of the Prison Service over the period in question must be seen in the particular circumstances within which the Service was operating at that time. The Prison Service was a relatively recently established organisation in 2002. A decentralisation process took place between 2001 and 2002 to a new corporate headquarters for the Service in Clondalkin. The enormous turnover of headquarters staff and the impact of all of the changes including changes in personnel should not be underestimated.

He stated that at the time the new organisation was being established, priority attention was devoted to tackling the serious problem of escalating overtime costs, including the cost of replacing staff on sick leave. It was always understood that sick leave was a serious contributing factor to the overtime problem given that absences in a prison setting have to be covered. At the time, overtime was the accepted method of achieving that cover. Equally, the high level of overtime working was a serious contributing factor in the problem of high levels of sick leave. There were, of course, others factors giving rise to high levels of overtime working but it was a stark reality that sick leave and excessive overtime in the Prison Service were inextricably linked. This was a vicious circle that had to be broken to effect improvement.

He said that a change team was put in place within the HR Directorate at the Prison Service to address the overtime problem. The protracted and difficult process dominated the Service from 2001 to 2005 when agreement on a comprehensive organisational change was reached with the Staff Side. The agreement has

now been successfully implemented, and the number of extra attendance hours required to run the Service has been reduced by more than half *i.e.* from 2.1 million overtime hours to less than 1 million additional hours. As a consequence, savings of up to €30m per annum were now being realised.

He indicated that the Prison Service had met with a number of enterprises that had successfully implemented the annualised hours concept and had been assured that sick leave levels had fallen dramatically, some by as much as 50%. The Prison Service had factored in a 33% reduction in sick leave as a reasonable target when setting a viable additional hours budget for extra attendance under the new system. The system was introduced over a six-month period from September 2005 to February 2006, and all prisons have been operating the system for almost 18 months. After initial teething problems the system is now working well and within the agreed budgetary limits.

Simultaneously with the introduction of the new arrangements, a determined effort was made to reduce sick leave through a range of measures. He stated that while the impact on sick leave was patchy in 2006, significant improvements were evident in the first four months of 2007.

The Accounting Officer stated that during the period of the negotiations, the focus of attention had to be on the difficulties associated with the negotiations process rather than on the incidence of individual or institutional sick leave. In addition, there was a turnover rate of 85% in Prison Service headquarters staff over the past two years arising from the decentralisation of the Prison Service to Longford.

He pointed out that the absence of a proper HRMS was another factor that had contributed to difficulties in the management of sick leave. The Prison Service had been required to adopt the generic HRMS which did not meet the operational needs of the prisons, and particularly with the recording of Prison Officer sick leave. Following the decision in December 2004 to revert to the old DataEase system, it had to be updated with data not inputted in previous months which impacted on the availability of an accurate figure for absences for the intervening period. A number of human resource information system options were currently being examined, and a decision would be made shortly.

He considered that the sick leave problem had been tackled at its very root cause – the pernicious overtime system. A major change programme had been agreed, and sick leave was being reduced to more acceptable levels. That work was ongoing, and he had received the assurance of the Director General that the Prison Service was determined to meet the challenge and address the issues arising.

## Summary

The level of sick leave in the Prison Service over the period 2002 – 2006 showed a further deterioration from the average level per officer of 19 days, which was the cause of Public Accounts Committee concern in 2004, to an average in excess of 26 days in 2005 and 2006. Most of this increase occurred in 2004 when the average moved from just under 20 days to almost 25 days. There are major variations across different prisons.

The period under review was a time of major change in the Prison Service with the negotiation and implementation of an annualised hours arrangement to replace overtime payments, and decentralisation of the Prison Service's headquarters initially to Clondalkin and later to Longford. These changes affected Prison Service management's ability to address the sick leave issues.

The Accounting Officer and the Prison Service have outlined the major contribution to the improvement of the sick leave situation expected from a combination of the new annualised hours system and the initiatives taken by prison management. Figures provided by the Prison Service for January to April 2007 show an overall reduction of 10% in per capita sick leave days which, if maintained, would give an annual average of the order of 23.7 days. Such a reduction would be the first major reversal of the trend of recent years shown in Figure 3. The Prison Service considers that the full effect of the new system will not be

apparent until the end of the second year of operation, and has projected that annual per capita sick leave will fall to under 23 days for 2007.

Options for the selection of a proper HRMS are currently being examined with a decision expected shortly. Work is also under way in order to seek tenders for a major research project into the underlying causes of sick leave in the Prisons Service, and to inform management on how best to deal with the issue.

