

Review of the Public Service Sick Leave Scheme

Management Report and Recommendations

August 2016

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Abstract

This report reviews the operation of the Public Service Sick Leave Scheme. In preparing this report, the Department of Public Expenditure and Reform has engaged with sectoral management, Occupational Health Physicians, HR Managers, and staff representatives from across the Public Service. Data on the main issues have been collected and combined with stakeholder feedback in the preparation of this report, which outlines the management positions in relation to the operational issues identified in the course of the review.

Contents

Executive Summary.....	3
1 Introduction	8
1.2 The Review.....	10
2 Impact of the Scheme	12
3 Management of Absenteeism.....	13
4 Temporary Rehabilitation Remuneration	14
4.1 What is TRR?	14
4.2 TRR Rate of pay	16
4.3 When TRR is paid (Purpose of TRR)	20
5 Critical Illness Protocol (CIP)	25
5.1 What is the Critical Illness Protocol (CIP).....	26
5.2 Wording of Medical Criteria.....	27
5.3 Guidelines on the use of management discretion.....	28
5.4 Protective Year.....	29
5.5 Chronic Illness	31
5.6 Length of Process	31
5.7 Available data on CIP decisions in the sectors.....	32
6 The Calculation of the ‘Look Back’ Period.....	34
6.1 What is the Look Back?	34
6.2 Types of sick leave counted in the look back.....	35
6.3 Calendar Years v Years of Service	38
7 Other operational issues.....	41
7.1 Disability Impact Assessment.....	41
7.2 Phased Return to Work.....	41
7.3 Pregnancy, miscarriage and maternity-related provisions.....	42
7.4 Calculation of Sick Leave in Hours	43
7.5 Claims for injuries caused by Third Parties	44
7.6 Illness Benefit.....	45
7.7 Kidney Donation.....	46
8 Conclusion.....	47
9 Appendices.....	48
Appendix A: Description of the Sectors to which the Scheme applies.....	48
Appendix B: Process of the Review.....	49
Appendix C: Public Service Sick Leave Statistics and Trends, 2013-2015	51
Appendix D: Methodology for the of cost of TRR in 2014 Sick Leave Statistics	65

Appendix E: FTEs administering TRR in each sector	66
Appendix F: Example of TRR calculation.....	67
Appendix G: Comparison of TRR for Pre and Post 1995 staff.....	68
Appendix H: Class A and Non Class A staff in each sector	69
Appendix I: Methodology for calculation of average rate of TRR	70
Appendix J: Methodology for the calculation of the cost impact of TRR at various rates of pay	72
Appendix K: Illness Benefit.....	73
Appendix L: Who avails of TRR? - Civil Service Data	74
Appendix M: Practice of payment of TRR in Public Service and in each sector.....	74
Appendix N: Leaves which extend the look back period (Civil Service).....	77
Appendix O: Corrigendum.....	78

Executive Summary

The Public Service Sick Leave Scheme (the Scheme) was introduced in March 2014 in the majority of sectors in the Public Service and in September 2014 in the Education Sector.

The Scheme standardised paid sick leave arrangements across the generality of the Public Service for the first time and effectively halved paid leave access for the majority of public servants, while also introducing a provision for extended leave in the case of critical illness or injury. It aimed to lower the unsustainable cost of sick leave for the Public Service by reducing the period of time for which paid sick leave is available, while maintaining a good level of protection for public servants absent from work due to illness or injury.

This review seeks to evaluate the Scheme's effectiveness and examine any Public Service wide operational issues which may have arisen following its introduction. Recommendations are then presented on how the operation of the Scheme can be improved.

The review commenced in the second quarter of 2015 and was conducted by the HR Policy Unit in the Department of Public Expenditure and Reform in close collaboration with sectoral management, Occupational Health Physicians, HR Managers, and staff representatives from across the Public Service. Data on the main issues, where available, has been collected and combined with stakeholder feedback in the preparation of this report, which outlines the management positions in relation to the operational issues identified in the course of the review.

Impact of the Scheme

The impact of the Scheme is measured against the baseline of 2013 sick leave statistics in the Public Service. Data is now gathered annually and published by the Department of Public Expenditure and Reform.

Since the introduction of the Scheme, the rate of sick leave has fallen by 0.4% and the average number of sick leave days per Full Time Equivalent (FTE) has fallen by 1.0 day. The cost of sick leave across the Public Service is estimated at €317.9 million for 2015, which represents a cumulative saving of €104.4 million since 2013.

While there has been a significant improvement in absenteeism rates since the reform, sick leave in areas of the Public Service remains high and should be reduced further. The non-financial costs such as the impact of absenteeism on staff morale must also be considered. In any organisation it is acknowledged that a certain proportion of sick absences is due to non-genuine ill health and effective absence management is therefore essential.¹ Management in each of the sectors should focus on the proactive management of absenteeism and policies designed to assist employers in managing cases of prolonged or frequent absence proactively may be required.

Evaluation criteria

The following principles were used in the review to evaluate the effectiveness of the Scheme and to assess options considered in resolving issues identified:

¹ CIPD (2015), *Annual Survey Report - Absence Management 2015*, London, www.cipd.co.uk/absencemanagementsurvey

Equity e.g. standardisation across the Public Service where possible: Elements of the Scheme are applied differently both across and within sectors. This can lead to inequities between staff in different areas of the Public Service.

Simplification of Arrangements: Certain elements of the Scheme are highly complex, leading to administrative burdens, delays in payments, and potential confusion for staff as to what sick leave they have access to.

Continued high levels of protection for public servants who are unable to work due to illness: Protection of public servants absent from work due to illness or injury continues to be an important factor when considering the sick leave arrangements.

Cost: The review does not seek to introduce further cost reductions, however it is intended to maintain the savings achieved since the introduction of the Scheme.

Reduction of Absenteeism: Absenteeism levels due to sick leave continue to be a key consideration in any further changes to the Scheme.

Issues Identified in the course of the review

Issues identified in the review are divided into two categories: key issues and other operational issues. The key issues, which are having the most significant impact on the sectors in terms of equity and/or administrative burden, are Temporary Rehabilitation Remuneration (TRR), the Critical Illness Protocol (CIP), and the Look Back (calculation of access to sick leave).

TRR

Temporary Rehabilitation Remuneration (TRR) is a non-pensionable discretionary payment that can be paid to public servants who have exhausted access to sick leave at full and half pay and who are likely to be able to resume work².

TRR is unique to other forms of sick pay in that it is determined by ill-health retirement rules. The complexity of the calculation of TRR constitutes an unsustainable administrative burden of over €5.8 million annually across the Public Service. This can cause overpayments and delays to public servants while the correct rate of payment is being calculated. There is a lack of clarity of purpose of TRR and mixed practices have developed across the sectors as to when and under what circumstances TRR is paid, leading to inequity. As TRR is based on pension rules, there are substantial variations in rates of TRR payable depending on an individual's circumstances, which is also a potential source of inequity with staff who do not meet the service requirement being automatically ineligible for this payment.³

Critical Illness Protocol (CIP)

The CIP defines eligibility criteria for the granting of extended sick leave for critical illnesses (6 months at full pay and 6 months at half pay, subject to an overall limit of 1 year in a 4 year rolling period). The decision to award extended leave is made by the HR Manager following consultation with the Occupational Health Physician. The medical criteria which must be met for extended leave to be granted are set out in the CIP. Access to the CIP may also be granted based at the discretion of management where the medical criteria are not met.

² Regulation 6 of the Public Service Management (Sick Leave) Regulations 2014 S.I. No. 124 of 2014 sets two conditions for payment of TRR – minimum service required for ill-health retirement and a reasonable prospect of resumption of duty to provide regular and effective service

³ There is an eligibility requirement of 5 years for the majority of public service workers. TRR rates are determined based on a person's length of service, salary, work sharing status, PRSI Class.

A 'protective year' is also provided for. This means that someone who has returned to work following a period of absence on CIP may avail of any remaining CIP leave for subsequent non-critical illnesses/injuries which occur within one year of the first date of absence, due to the critical illness/injury, for which CIP was granted.

In general, there is a high degree of satisfaction with how the Critical Illness Protocol is operating. Access to extended sick leave in cases of critical illness affords substantial additional protection to public servants who are ill. It is perceived as fair and processes are operating reasonably well. Nevertheless a number of areas were raised in the course of the review where the operation of CIP could be improved.

The medical criteria contained in the CIP are regarded as narrow, which results in those cases which do not meet the high medical threshold having to be considered under managerial discretion. Greater support is also required around decision-making on grounds of management discretion as management can be reluctant to exercise discretion in order to avoid being accused of bias or setting precedents for particular illness types.

It is reported that the majority of CIP absences are close to or longer than one year. As a result, for those who may avail of it, the protective year offers limited protection as the time window where it may be availed of is narrow.

The length of the application process for CIP was also raised as a concern, as staff may reach pay thresholds before applications are processed.

The Look Back

The dual look back is performed to calculate an individual's access to paid sick leave and the appropriate rate of payment.

Firstly a 4-year look-back on the number of sick days a person has taken determines whether a staff member has access to further paid sick leave i.e. they should have if they have not exhausted all of days available under the Scheme. If the 4-year look back indicates that the staff member has further access to paid sick leave, the 1-year look back then determines the rate at which the staff member should be paid (92 days at full pay and 91 days at half pay).

Sectors have taken different approaches in terms of which sick leave types are counted towards a person's overall limits in the 4 year look back (sick leave at full pay, sick leave at half pay, TRR/PRP, unpaid sick leave) and whether the 1 year and 4 year look back are based on calendar years or years of service (i.e. taking into account extended absences from the work place), or a hybrid of the two.

These differences give rise to equity concerns as an individual may have substantially less or greater access to paid sick leave depending on the practice in an individual's sector.

Other operational issues

As well as the three key issues examined (Temporary Rehabilitation Remuneration, the Critical Illness Protocol and the Look Back), a number of other issues have been raised by sectors and staff representatives regarding the operation of the Scheme. The issue, its impact and a recommended approach are presented for each of the following in the report:

- Disability Impact Assessment
- Reasonable Accommodation and Phased Return to Work
- Pregnancy-related sick leave provisions
- Calculation of Sick Leave in Hours
- Claims for injuries caused by Third Parties

- Reconciliation of Illness Benefit payments
- Live Kidney Donation Leave

Summary of Recommendations

Recommendations arising from the review are set out below. Where recommendations relate to a key issue they are colour-coded (yellow for TRR, green for CIP and purple for the look back).

1. Strengthen Absence Management Practices
Establish a Public Service Sick Leave Management Forum led by the Department of Public Expenditure and Reform to provide ongoing support to sectors to proactively manage absenteeism. The forum will support the sectors to identify the underlying causes of sick leave, and develop and share strategies aimed at further reducing sick leave absences.
2. Introduce TRR Rate of 30% of Pay
Decouple TRR from pension calculations and instead base it on a flat rate of 30% of pensionable salary. 30% of FTE pay as a sustainable rate which affords a good level of protection to staff while also reducing the administrative overheads and managing absenteeism, for the following reasons: <ul style="list-style-type: none"> • The current average rate of TRR is estimated at 35% (this takes into account Illness Benefit for post 1995 staff members); • If the current method is maintained the calculation method under the Single Pension Scheme will result in lower rates of TRR across the Public Service in future; • Other proposed changes in the operation of TRR, eligibility for TRR will be extended to staff previously not eligible while the introduction of a standardised waiting period will reduce the numbers receiving TRR in certain sectors.
3. Standardise the Service Requirement for TRR to 2 years for all staff and remove requirement for ill-health retirement eligibility
Currently eligibility for TRR is dependent on a public servant having access to an ill-health retirement scheme. This can disqualify Public Servants who are not party to a pension scheme in their sector or who do not have the requisite service (generally 5 years). The length of service required under the Single Pension Scheme is 2 years and it is proposed to extend TRR to all staff and apply the 2 year service requirement to all.
4. Payment of TRR to Commence on the 28th Day of absence with backdating to 7th day
Pay TRR for long-term absences, defined as absences of 28 days or longer, with backdating to the 7 th day of absence. The following points should also be noted on the operation of this aspect of TRR: <ul style="list-style-type: none"> • No waiting period will apply to those who move to TRR while on a continuous absence of over 28 days in duration (e.g. an absence which beings on full or half pay); • No waiting period will apply during CIP and the CIP protective year; • Post 1995 (Class A PRSI) will receive Illness Benefit from 7th day of absence; • Pre 1995 (non-Class A) Floor equivalent to Illness Benefit personal rate will be paid to from 7th day • If an absence reaches 28 days in duration, the payment of TRR will be backdated to the 7th day of the absence (e.g. the first 6 days of the absence are unpaid, in line with Illness Benefit rules); • The discretionary nature of TRR is not affected; • TRR remains non-reckonable service.
5. Clarify the CIP Medical Criteria
A number of amendments are proposed to the four medical criteria in the CIP, providing greater clarity and greater flexibility in certain areas. Chronic conditions may also meet the criteria, see recommendation 8.
6. Introduce Guidelines on Award of CIP under Management Discretion
Introduce guidelines for HR practitioners to facilitate decision-making on award of CIP on managerial grounds based on fair and reasonable procedures.
7 Commence CIP Protective Year on the Date of Return to Work
Commence the protective year from the date of return to work following illness rather than the first date of absence.
8. Increase Awareness of CIP

<p>Sectors should raise awareness of the CIP so as to encourage early application. Awareness of eligibility of chronic illnesses for CIP where conditions are met should also be raised. Introduce an amendment to circulars (and analogous documents in sectors) regarding the role of line manager in informing staff of CIP.</p>
<p>9. Include Data on CIP Decisions in Annual Sick Leave Statistics Returns</p>
<p>Sectors should provide complete data on CIP awarded and refused, including information on grounds of application (medical criteria or management discretion) and appeals, both successful and unsuccessful. This data will assist in ensuring that the CIP is applied consistently across the sectors.</p>
<p>10. Count All Types of Sick Leave in the 4 Year Look Back</p>
<p>Standardise the look back by counting sick leave at full pay, half pay, TRR and unpaid sick leave towards the threshold of 183 days for the purpose of determining access to sick leave (at full and half pay). This will ensure that practices are uniform across the sectors and reflects the original intention of the Scheme.</p>
<p>11. Base Look Back on Calendar Years with Extension for Breaks of 6 Months+ Only</p>
<p>Discontinue the practice of extension of the look back to account for breaks in service with the exception of continuous breaks of 6 months or longer. It is currently not feasible to count all breaks in service in all sectors and a uniform approach to the operation of the scheme is an over-riding concern from an equity perspective.</p>
<p>12. Strengthen Provisions relating to Reasonable Accommodation</p>
<p>Clarify and strengthen provisions in circulars or analogous documents relating to the obligations of the employer to provide reasonable accommodation to individuals who have a disability. These provisions will assist employers and managers to explore all supports available to assist individuals to return to work as soon as possible and to remain in work where practicable.</p>
<p>13. No change to the Provisions relating to Pregnancy-Related illness in the Regulations</p>
<p>Regulations 19 and 20 provide substantial protection to public servants who experience a pregnancy-related illness. It is not desirable to include a definition of pregnancy-related illness in the Regulations as this is a medical decision.</p>
<p>14. No Amendment to be made the Regulations to Provide for Calculation of Access to Sick Leave in Working Hours rather than Calendar Days</p>
<p>The possibility of calculating access to sick leave in terms of working hours would address the inequity of current practices of counting sick leave in days, irrespective of the length of the day in place in certain sectors. Nevertheless this is considered to be beyond the scope of this review as further work is required to understand the impact and operation of this methodology.</p>
<p>15. Absences due to Injury for which Compensation is Received from a Third Party will not be Discounted</p>
<p>There is no support for introduction of a practice of discounting sick leave where compensation is received for the cost of paid sick leave. It is not considered equitable to other staff who may suffer illness or injury but who are not in a position to seek compensation and administration of such a practice would be extremely difficult.</p>
<p>16. Establish a Working Group to Investigate Illness Benefit Payment and Recoupment in the Public Service</p>
<p>A working group should be established comprising DPER, sectoral management, PSSC, other pay rolls, Revenue and the Department of Social Protection to examine options for its resolution.</p>
<p>17. Introduce Sectoral Schemes providing for Special Paid Leave for Living Kidney Donors</p>
<p>Each sector will liaise with the Department of Health to introduce the necessary arrangements to implement a scheme of paid leave and certain expenses for living kidney donors. This approach decouples this issue from sick leave.</p>

1. Introduction

The Public Service Sick Leave Scheme (the Scheme), was introduced in March 2014 in the majority of sectors in the Public Service and in September 2014 in the Education Sector.

The Scheme standardised paid sick leave arrangements across the generality of the Public Service for the first time and effectively halved paid leave for the majority of public servants, while also introducing a provision for extended leave in the case of critical illness or injury.

The details of the Scheme are set out in legislation and in the Public Service Management (Sick Leave) Regulations.⁴ The main provisions of the Scheme are summarised in Box 1 (overleaf).

In line with the commitment made by the Minister of Public Expenditure and Reform in the Dáil on 12th December 2013, this report contains a review of the operation of the scheme one year after its introduction.

1.2 Background and Context

The Scheme was introduced with the aim of lowering the very high cost of sick leave for the Public Service by reducing the period of time for which paid sick leave is available, while maintaining protection for public servants who are absent from work due to illness or injury.

Under Paragraph 1.4 of the *Croke Park Agreement* the Employer and staff representatives agreed to work together to deliver increased productivity and maximise the efficiencies in the delivery of public services. We identified, in both the Public Service Reform Plan and the Memorandum of Understanding with the Troika, that revision of the Public Service sick leave arrangements, and more active management of persons availing of sick leave, are areas where significant cost savings in the Public Service pay bill can be achieved.

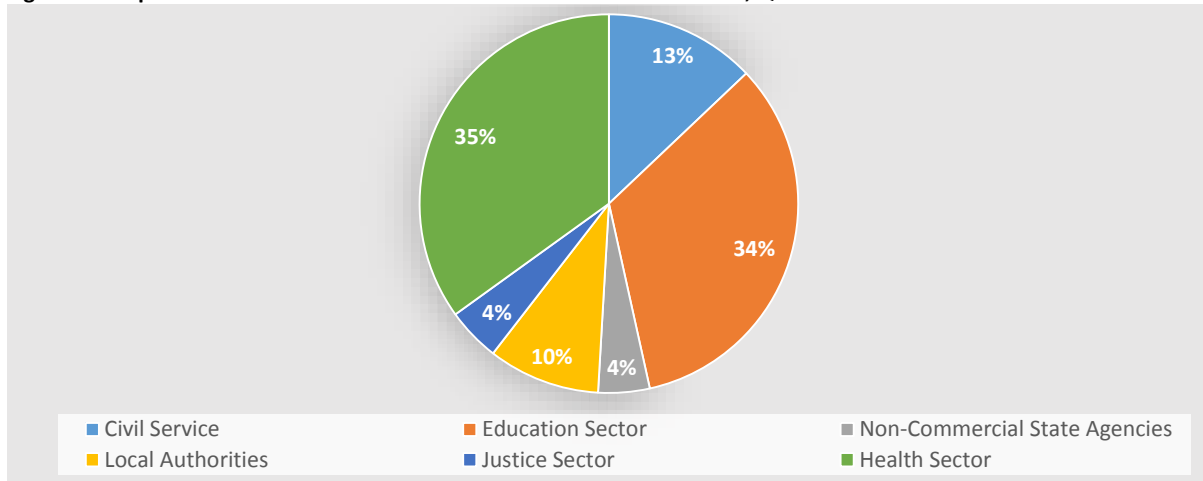
In developing the Scheme, there was close engagement across and within with the sectors, and with staff representatives from across the public service, including the Public Services Committee (PSC) of the Irish Congress of Trade Unions (ICTU). Matters not resolved in discussions and conciliation with the PSC were referred to the Labour Court for binding recommendations in July 2012 and December 2013.

1.3 Overview of the Sectors to which the Public Service Sick Leave Scheme applies

The Public Service Sick Leave Scheme applies to approximately 300,000 public servants in Ireland who work across the Civil Service, Health, Education, Local Government, and Justice Sectors. Between and within the sectors there is a broad variety in the size and characteristics of the workforce, roles, and work environments. Figure 1 illustrates the proportion each sector makes up in the Public Service. The sectors are described in greater detail in Appendix A.

⁴ Section 58B of the *Public Service Management (Recruitment and Appointments) Act 2004 as amended by the Public Service Management (Recruitment and Appointments) (Amendment) Act 2013*, Part 7A, provides the statutory basis for the making of regulations governing sick leave remuneration in the public service. The Scheme is set out in the Public Service Management (Sick Leave) Regulations 2014 (S.I. 124 of 2014) and the Public Service Management (Sick Leave) (Amendment) Regulations 2015 (S.I. 384 of 2015), referred to as 'the Regulations'.

Figure 1: Proportion of FTEs in sectors in Public Service Sick Leave Scheme, Q4 2014



Source: Department of Public Expenditure and Reform, Databank http://databank.per.gov.ie/Public_Service_Numbers.aspx

Box 1 below summarises the principal elements of the Sick Leave Scheme.

Box 1: Main Provisions of the Scheme

The principal provisions of the Regulations are:

- Generally, access to paid Sick Leave was halved:
 - **Self-Certified** (previously “uncertified”): 7 days in a rolling two year period
 - **Certified**: a maximum of 6 months in a rolling four year period comprising of 3 months on full pay in a rolling one year period, followed by 3 months on half pay.
 - **Temporary Rehabilitation Remuneration** (previously pension rate of pay): may be paid for up to a maximum period of 18 months generally and only on the basis of a reasonable prospect of return to work by the employee. Eligibility and calculations are based on an individual’s entitlements under ill-health retirement rules.
- A **Critical Illness Protocol** was introduced which provides the basis for access to 6 months on full pay and 6 months on half pay in the event that a staff member is diagnosed with a critical illness or serious physical injury.

1.2 The Review

1.2.1 Objective of the Review

This review seeks to evaluate the Scheme's effectiveness and examine any Public Service wide operational issues which may have arisen following its introduction.

This paper makes recommendations on how the operation of the Scheme can be improved.

1.2.2 Principles and evaluation criteria

The following principles were used in the review to evaluate the effectiveness of the Scheme and to assess options considered:

Equity e.g. standardisation across the Public Service where possible	Elements of the Scheme are applied differently across and within sectors and this can lead to inequities between staff across different areas of the Public Service
Simplification of Arrangements	Certain elements of the Scheme are highly complex, leading to administrative burdens, delays in payments, and potential confusion for staff as to what sick leave they have access to.
Continued high levels of protection for public servants unable to work due to illness	Protection of public servants who are absent from work due to illness or injury continues to be an important factor when considering the sick leave arrangements.
Cost	The review does not seek to introduce further cost reductions however, it is intended to maintain the level of savings achieved since the introduction of the Scheme.
Reduction of Absenteeism	Absenteeism levels due to sick leave continue to be a key consideration in any further changes to the Scheme.

1.2.3 Process

The review commenced in the second quarter of 2015 and was conducted by the HR Policy Unit in the Department of Public Expenditure and Reform in close collaboration with a number of stakeholders across the Public Service.

The review was conducted in three phases:

1. Issue identification
2. Exploring and collecting data on the Scheme ("As Is position") and Options Evaluation
3. Identifying the recommendations for change to the Scheme ("To Be desired position")

Box 2: Issues Identified in the Course of the Review

A number of issues are dealt with in this Review.

1. The importance of effective management of absenteeism in reducing absenteeism rates and effective workplace rehabilitation.
2. Key operational issues that are having the most significant impact on the sectors:
 - Temporary Rehabilitation Remuneration (TRR),
 - The Critical Illness Protocol (CIP), and
 - The Look Back (calculation of access to sick leave).
3. Other operational issues:
 - Disability Impact Assessment
 - Reasonable Accommodation and Phased Return to Work
 - Live Kidney Donation Leave
 - Claims for injuries caused by Third Parties
 - Calculation of Sick Leave in Hours
 - Pregnancy-related sick leave provisions

For details on the process used in the review and key stakeholders involved in the review see Appendix B.

1.2.4 Structure of Report

The report is divided into 9 sections:

- Section 1 presents the context of the Scheme and its main provisions;
- Section 2 discusses the impact of the Scheme since its introduction, in particular with regard to the cost of sick leave and absenteeism rates across the Public Service;
- Section 3 discusses management of absenteeism and areas for further examination in order to build on reductions in absenteeism to date;
- Section 4 addresses the first of the main operational issues from the review, TRR;
- Section 5 deals with the Critical Illness Protocol, the basis for which access to extended sick leave may be granted under the Scheme;
- Section 6 examines the 'Look Back', the process for calculation of access to sick leave and the appropriate rate of pay;
- Section 7 deals with the other operational issues identified in the review;
- Section 8 presents the conclusion of the review;
- Section 9 contains appendices which provide greater insight into the items discussed throughout the report.

2. Impact of the Scheme

Figures on the cost and incidence of sick leave in the Public Service in 2013 form the baseline against which the impact of the Scheme has been measured. The metrics and methodology employed for the collection and analysis of sick leave data were reviewed and standardised for the gathering of the 2013 statistics across the Public Service. These have formed the basis of annual collections since then.⁵

The headline findings of the impact of the Scheme since its introduction are:

- The rate of sick leave has fallen by 0.4% in comparison to 2013;
- The average number of sick leave days per FTE has fallen by 1.0 day since 2013;
- The cost of sick leave across the Public Service is estimated at €317.9 million for 2015 - this represents a cumulative saving of €104.4 million since 2013.

In addition to the estimated €104.4 million cumulative savings in the cost of sick pay, there are also likely to be savings in substitution costs from the reduction in sick leave that would arise in sectors such as Health and Education.

A key milestone that has been achieved is that the rate of sick leave across the Public Service has fallen for the first time to below 4.0% and is now 3.9%. By comparison, average absenteeism rates in the UK (public and private sector) as measured by the Chartered Institute of Personnel and Development (CIPD), are 3.7% or 8.3 days per FTE.⁶

The Public Service Sick Leave Statistics and trend data for 2013 – 2015 are available at Appendix C.

⁵ <http://hr.per.gov.ie/sick-leave/>

⁶ CIPD (2015), *Annual Survey Report - Absence Management 2015*, London, www.cipd.co.uk/absencemanagementsurvey

3. Management of Absenteeism

3.1 Issue

While there has been a significant improvement in absenteeism rates since the reform, sick leave in areas of the Public Service remains high and needs to be reduced further. The issue of absenteeism has been at the forefront of the review as one of the key principles and an evaluation criteria for the recommendations for change.

Some of the recommendations made in this report may have the effect of increasing the number of public servants eligible for payment during sick leave or for the period during which they can receive payment. As a result, improved management of absenteeism is required to ensure that there is no resulting negative impact on absence rates.

3.2 Impact

The total annual cost of sick leave across the Public Service is now €317.9 million⁷, this has reduced significantly since the introduction of the revised Scheme but remains a cost borne by the Exchequer. Additional to this figure are the substitution costs which are incurred in sectors such as Health and Education. The non-financial impacts of absenteeism include low morale among the workforce who bear the brunt of extra workload and a culture of absence in some areas. There is also strong medical evidence that work is good for physical and mental health and an early return to work aids recovery in most cases.⁸

3.3 Recommendation

Management in each of the sectors should focus on the proactive management of absenteeism and policies designed to assist employers in managing cases of prolonged or frequent absence proactively will be required.

The Department will establish a Public Service Sick Leave Management Forum to provide ongoing support for each of the sectors in managing sick leave in their respective sectors, including the identification and understanding the underlying causes of sick leave and the development of targeted strategies aimed at further reducing sick leave absences.

A target for the rate of sick leave will be set with each of the sectors and this will be monitored on an annual basis. It is also intended for the sectors of the Public Service to publish sick leave absence rates on an organisational/regional basis, where figures are available.

⁷ Sick Leave Statistics 2015

⁸ Gordon Waddell and A Kim Burton, *Is Work Good for Your Health and Well-Being/* (UK Department of Work and Pensions, 2006), https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/214326/hwwb-is-work-good-for-you.pdf

4. Temporary Rehabilitation Remuneration

4.1 What is TRR?

Temporary Rehabilitation Remuneration (TRR) is a discretionary payment that can be paid to public servants who have exhausted access to sick leave at full and half pay and who are likely to be able to resume work⁹.

TRR as a proportion of sick leave is relatively small. It is estimated to account for between 5-14% of sick leave and affects between 0.5-5% of the workforce, depending on the sector. In 2015 the annual cost of TRR was estimated at €16.8m out of €317.9m for all sick leave, i.e. 5% of the cost of paid sick leave (methodology set out at Appendix D).

TRR is based on the Pension Rate of Pay (PRP) which was previously in place in the Health, Justice, and Local Government Sectors and in the Civil Service. It was first introduced in the Education Sector with the commencement of the Public Service Sick Leave Scheme.

Sick leave at full and half pay is payable for a maximum period of 6 months in every 4 years or 1 year in every 4 years if eligible for extended paid sick leave under the CIP. Therefore TRR is generally only required for a very small minority of staff, usually in one of the following situations:

- Where a person is suffering from an illness or injury which requires an extended recovery period;
- Where a person has suffered from long-term illness/injury in the previous 4 year period which has caused them to exhaust access to sick leave at full and half pay and who suffers a subsequent illness (either critical or non-critical);
- Where a person has a chronic illness resulting in repeated absences who has exhausted access to paid sick leave over the previous 4 year period.

4.1.1 Introduction of TRR

The following changes were made to Pension Rate of Pay (PRP) with the introduction of the Sick Leave Scheme:

- Name change from Pension Rate of Pay to Temporary Rehabilitation Remuneration;
- Time limit introduced where none previously existed (limit of 1 ½ years for ordinary illness and 1 year plus the possibility to extend by up to a further 2 years in the case of CIP);
- TRR is not reckonable for superannuation purposes, similarly to PRP.

TRR is calculated in the same way as ill-health retirement payments, as was PRP. This methodology was not altered and is standard across the sectors.¹⁰ Where PRP previously existed, administration of TRR has continued in the same way.

⁹ Regulation 6 of the Public Service Management (Sick Leave) Regulations 2014 S.I. No. 124 of 2014 sets two conditions for TRR – minimum service required for ill-health retirement and a reasonable prospect of resumption of duty to provide regular and effective service

¹⁰ Calculated using the ill-health retirement methodology (pension calculation varies slightly in the Justice Sector due to different retirement age)

4.1.2 Data

During phase two of the review a specific data request was issued to the sectors regarding TRR. Analysis of these have provided useful insight into current practices and potential costs of options.

Box 3: The Case for changing the calculation and standardising award of TRR

- The complexity of the calculation of TRR constitutes a large and unsustainable administrative burden and causes overpayments through delays in completing calculations.
- There is a lack of clarity of purpose of TRR and mixed practices have developed across the sectors as to when and under what circumstances TRR is paid, leading to inequity.
- TRR is unique when compared to other forms of sick pay in that the rate is determined by pension rules. There are substantial variations in rates of TRR payable depending on an individual's circumstances, which is also a potential source of inequity with staff not meeting the service requirement automatically ineligible.¹

¹There is an eligibility requirement of 5 years for the majority of public service workers. TRR rates are determined based on a person's length of service, salary, work sharing status, PRSI Class.

4.1.3 Recommendations in 2 main areas

Recommendations are proposed in two main areas:

1. The rate of pay while on TRR, discussed in Section 4.2;
2. When TRR is paid (and by implication the purpose of TRR), discussed in Section 4.3.

4.2 TRR Rate of pay

The methodology for the calculation of the rate of TRR is highly complex and the cause of an exceptionally large administrative burden. Unlike other rates of sick pay, TRR is based on a pension calculation, unique to each individual, leading to a lack of clarity and potential inequity. This calculation will become more complex with the phasing in of the Single Pension Scheme.

4.2.1 Key Impacts of the current calculation of rates of TRR

Administrative burden

The complexity of calculating rates of TRR is the cause of an unsustainable administrative burden. The calculation of an individual's TRR rate requires inputs from a number of parties (HR, payroll, pension teams etc.) An estimated 140 FTEs are dedicated to administering TRR calculations across the sectors at a cost of €5.8 million annually (see Appendix E for a breakdown of FTEs per sector and Appendix F for an example of a TRR calculation). This compares to an estimated cost of TRR payments of €16.8m in 2014 (see Appendix D).

This cost estimate is likely to be understated as sectoral management also report that significant additional administrative costs arise in rectifying overpayments caused by delays in processing TRR calculations.

In some cases the administrative burden is mitigated by a policy of holding calculations for up to 6 months, however this eliminates only a small proportion of calculations.

The complexity of the calculation will increase as post-January 2013 staff who are members of the Single Pension Scheme become eligible for TRR. For these staff career average salary and not current salary will be required to determine their TRR rate, thereby substantially increasing the administrative burden of performing TRR calculations.

This is clearly untenable.

Equity

TRR is an individual rate at a fixed point in time. The methodology used for the calculation of the rate is the same as for an ill-health retirement payment. The rate depends on an individual's salary, FTE status, length of service, age and whether they were recruited pre or post 1995 (i.e. paying Class A PRSI or not). Furthermore, there is an eligibility requirement of 5 years' service to receive TRR for most staff.¹¹ As a result of this multifactorial calculation, the rate of TRR can vary greatly thereby giving rise to inequity. The current average rate of TRR is estimated at 35% of salary (including Illness Benefit), however individual rates can vary from 0-200% of salary (see section 4.2 for further detail).

Staff paying Class A PRSI (recruited on or after 6th April 1995) may avail of Illness Benefit¹² paid by the Department of Social Protection in addition to TRR. In order to take account of social welfare payments, the methodology for calculation of ill-health pensions and hence TRR is different for pre- and post 1995 staff.¹³ However, it is not clear in all circumstances if these differences between the

¹¹ The eligibility requirement is reduced to 2 years for members of the Single Pensions Scheme

¹² See Appendix F Illness Benefit Rates. The Public Service Sick Leave Scheme introduced a floor for payment of TRR to non-Class A PRSI staff equivalent to the maximum individual Illness Benefit rate.


¹³ 1/80 for pre 1995 and for post 1995 the formula is, 1/200th of pensionable remuneration up to less than 3 1/3rd times the Old Age Contributory Pension (OACP), and 1/80th for pensionable remuneration in excess of this limit. Illness Benefit at the individual rate equates to the OACP, payments for dependent adults or children are additional to this.

methodologies for pension calculations for pre and post 1995 fully account for the fact that Illness Benefit is received by post 1995 staff (see Appendix G).

4.2.2 Options for calculating TRR

Table 1 below sets out options for change which were considered during the review.

Table 1: TRR Rate of pay - Options for change

Option	
A	Do Nothing e.g. continue to use ill-health retirement methodology
B	Introduce a flat rate of TRR based on salary e.g. no requirement for ill-health retirement eligibility, 2 year service requirement for all staff  Preferred Option
C	Hybrid system e.g. pay TRR based on a % of salary for the early part of an absence and use the current TRR methodology once the absence reaches a certain duration
D	Simplified matrix approach e.g. introduce a simplified calculation using broad parameters such as salary brackets, categories of years of service etc.

4.2.3 Preferred option

The preferred option is B; introduce a flat rate of TRR based on a percentage of salary.

The status quo was deemed untenable due to the huge administrative burden involved and the introduction of a flat rate of pay is considered the only pragmatic option. While options such as a hybrid system and a simplified matrix approach were discussed, these were not considered feasible due their complexity of implementation and lack of clarity for staff.

This approach broadens access to TRR by removing the eligibility requirement of having access to an ill-health retirement scheme. Due to legacy issues, there are cohorts of staff in the Education and Health Sectors in particular, who are not party to the sectoral pension scheme and therefore ineligible for TRR. The service requirement would be set at 2 years, applying the shorter requirement under the Single Pension Scheme to all staff.

4.2.4 What should the rate of TRR be?

Table 2 below sets out the average TRR rate across the sectors, comparing the rates for pre and post 1995 staff. The majority of public service workers now pay Class A PRSI and future policy should account for this (see Appendix H for a breakdown of Class A/ Non Class A staff in each sector).

Given that it is vital that changes to the Scheme reflect the need to maintain savings achieved since the introduction of the Scheme it is recommended that TRR be paid at a rate of 30% across the Public Service.

Table 2: Average rate of TRR¹⁴ as a % of FTE salary in the Civil Service, Health and Justice Sectors

Sector	Proportion of Public Service	Average TRR Pre 95 (Non Class A PRSI)	Average TRR Post 95 (Class A PRSI)	Average TRR
Civil Service	13%	44%	33%	36%
Health Sector	38%	33%	35%	35%
Justice	5%	44%	30%	34%
Public Service¹⁵	100%	36%	34%	35%

¹⁴ Including Illness Benefit at the personal rate for Class A PRSI staff

¹⁵ Based on analysis of data in Civil Service, Justice and Health Sectors

Data from the Local Government Sector was not available. Data from the Education Sector is presented separately as it is not directly comparable to data from the other sectors. For information on the methodology used see Appendix I.

Table 3: Average rate of TRR¹⁶ as a % of FTE salary in the Education Sector (different methodology)

Sector	Proportion of Public Service	Average TRR Pre 95 (Non Class A PRSI)	Average TRR Post 95 (Class A PRSI)	Average TRR
Education	35%	37%	45%	40%

The impact of introducing a flat rate of TRR against each of the evaluation criteria is summarised in Box 4.

Box 4: Summary of possible impacts of decoupling from ill-health retirement rules and moving to a flat rate of TRR

Simplification Impact

Decoupling the TRR calculation from the ill-health retirement methodology would have a significant positive impact on simplification. **The current estimated annual administrative burden of €5.8 million cannot be justified.** Due to knock-on impacts of delays in processing TRR calculation and rectifying over-and under-payments the true administrative cost is likely to be much higher.

As well as reducing the unsustainable administrative burden of the current system, a flat rate would be easier for staff to understand. In the course of consultations the Civil Service Employee Assistance Service reported that the difficulty and delay in establishing the rate of TRR causes distress to staff at times of stress and vulnerability.

Equity Impact

At present, an individual's rate of TRR can vary from €0 to a rate higher than their salary. The current system will diminish in equity in future as staff who are part of the Single Pension Scheme will receive lower rates of TRR due to pension calculations based on average career salary. Introduction of a flat rate, based on a percentage of a person's salary would alleviate the inequity of the current system by ensuring that staff have access to similar benefits relative to their earnings.

Decoupling TRR from ill-health retirement improves equity as it results in broadening access to include staff previously ineligible due to the fact that they are not party to pension schemes in operation in their sectors.

The eligibility requirement of 5 years excludes some staff from TRR (although some may access Illness Benefit). A requirement of 2 years' service applies to staff recruited after January 2013 (to whom the Single Pension Scheme applies). Applying a standardised 2 year service requirement ensures all staff are treated equally.

The average rate of TRR for a public service worker is 35% of their salary. In general this is slightly higher, at 36%, for pre 1995 staff, due mainly to longer service. The estimated TRR rates are calculated including the personal rate of Illness Benefit payment (e.g. it doesn't factor in additional payments for dependent adults or children) and may therefore be higher, although data is not held on this point.

Cost Impact

The cost impact of introducing a flat rate of TRR depends to a large extent on the rate chosen. Cost impacts are set out in Table 4 below **based on current TRR rates.** In future, as staff move onto the Single Pension Scheme, average rates of TRR will decrease.

¹⁶ Including Illness Benefit at the personal rate for Class A PRSI staff

Continued: Summary of possible impacts of moving to a flat rate of TRR

- A flat rate of TRR at 30% of salary is estimated to reduce the cost of TRR by 13%.
- A flat rate of TRR at 35% of salary is estimated to be cost neutral.
- A flat rate of TRR at 40% of salary is estimated to increase the cost of TRR by 12%.²

These costs do not reflect the impact of other proposed changes to payment of TRR such as broadening access to TRR, reduction of service requirement to 2 years, payment of TRR for all absences from the 28th day of absence (impact discussed in Box 7), or the impact on absenteeism that a change in rate could have on behaviour by making TRR more or less desirable.

When these factors are considered, a flat rate of 30% of salary is considered as a suitable compromise and it is expected to be somewhat cost increasing going forward.

Table 4: Estimated Cost impact of various flat rates of TRR based on current rates (rates include illness benefit at the individual rate) – this does not account for the increased costs in broadening access

Sector	Average TRR %	Change in cost 30%	Change in cost 33%	Change in cost 40%
Civil Service	36	-12%	-3%	+11%
Health Sector	35	-13%	-4%	+16%
Education	40	n/a	n/a	n/a
Justice	34	-13%	-3%	+17%
Local Government	n/a	n/a	n/a	n/a
Public Service	35%	-13%	-5%	12%

For more information on the methodology used see Appendix J.

Absenteeism Impact

There is a strong argument that TRR should be lower than pay at the half rate. Research shows that a reduction in the rate of sick pay can reduce the length of long-term sick absences without negative impact on health and well-being³. There is strong medical evidence that work is good for physical and mental health and an early return to work aids recovery in most cases.⁴

Therefore the case is made for a flat rate of TRR at a rate which is markedly lower than sick leave at the half rate of pay but not too low so as to have an unduly negative impact on the protection of staff unable to work due to illness.

Protection Impact

TRR provides substantial protection to staff who are experiencing long-term illness and who are likely to be able to return to work. As a payment it is paid generally for a maximum period of 18 months in a four year period, bringing total paid sick leave to 2 years for ordinary illnesses. This is in line with payment of Illness Benefit which is generally paid for a maximum of 2 years.⁵ In cases of serious illness where CIP is granted, TRR may be paid for up to three years if this period is required to recover fully. This constitutes a substantial cushion to staff for a significant period of time.

The broadening of eligibility to staff not currently eligible for TRR, due to their length of service or the fact that they are not party to a sectoral pension scheme, improves protection these groups.

At an average of 34% of salary, TRR can provide quite a degree of protection for staff. Nevertheless, the protection afforded by TRR depends to a large degree on a person's service record and their PRSI Class. For Class A staff who receive Illness Benefit, the annual rate that would apply is close to €10,000 based on the personal rate.¹

While it is acknowledged that for current staff who have a long service record the rate of TRR is likely to be higher than 30% of salary. However, for those with short service records may either be ineligible (less than 5 years' service) or in receipt of only a very modest top up to the Illness Benefit payments. It should be noted that data from the Civil Service does not evidence a strong link between age (likely to have longer service) and likelihood of availing of TRR (see Appendix L).

The introduction of a flat rate close to the average would negatively impact on the protection a minority of staff who have long service records. On the other hand, for the majority of staff who have short to medium length of service a flat rate close to the average rate is likely to afford greater protection than at present and therefore a reasonable cushion during a long period of rehabilitation.

¹ For further detail on conditions for payment of Illness Benefit see Appendix K

² Cost impact of rate of change based on an analysis of data from the Civil Service, Health and Justice Sectors based on rates of FTE salaries.

³ Phuani, P.A. and Sonderhof, K, "The effects of a sick pay reform on absence and on health-related outcome," *Journal of Health Economics*, vol.29 (2010): pp285-302

⁴ Gordon Waddell and A Kim Burton, *Is Work Good For Your Health And Well-Being?*, (UK Department of Work and Pensions, 2006) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/214326/hwwb-is-work-good-for-you.pdf

⁵ Illness Benefit may be paid for a maximum of 1 year with 2-5 years' contribution and for a maximum of 2 years with over 5 years' contributions. In order to requalify 13 additional contributions must be made.

4.3 When TRR is paid (Purpose of TRR)

Due to legacy issues, varying practices have developed across the Public Service as to when TRR is paid, leading to inequity of treatment of staff both across and within sectors.

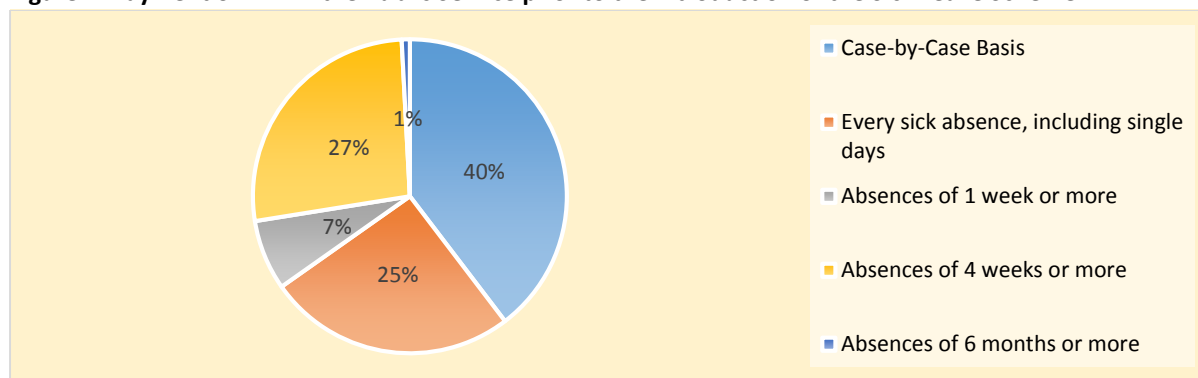
Prior to the introduction of the Scheme practices varied significantly within and across sectors as to when and under what circumstances Pension Rate of Pay (PRP) was paid, as illustrated in Figure 2. These variances in practice have come to the fore since the introduction of the Scheme. The sectors and staff associations raised concerns that discrepancies such as when the payment of TRR commences, and whether all or only certain absences are eligible for TRR, are a source of inequity.

When is TRR paid?

Two elements of TRR require clarification:

- When should payment of TRR commence?
- What illness/injury absences qualify for TRR (all or some)?

Figure 2: Payment of PRP in the Public Service prior to the introduction of the Sick Leave Scheme



The majority (40%) of the public service paid PRP 'on a case-by-case basis'. This is discussed in further detail in Box 5. The significant variation in the numbers availing of TRR across the sectors points to the fact some sectors exercise considerable discretion in whether to award TRR while for others it is almost an automatic entitlement (see Table 4).

Some sectors have interpreted PRP/TRR as a payment in circumstances where a longer period of rehabilitation from illness or injury is required. As a result, payments are only made for absences of longer than 4 weeks (e.g. if the illness is continuous a person will transition seamlessly from full pay to half pay to TRR in the course of a long-term absence).¹⁷ This is the general approach taken by large parts of the Health and Local Government Sector. Rigorous checks are also in place such as the requirement to furnish medical evidence etc.

In contrast, in the Justice Sector and in a significant part of the Civil Service TRR/PRP has evolved as an automatic payment, with little conditionality associated with it. This approach has been followed by the Education Sector since the introduction of the Scheme in September 2014.

In a minority of areas, established practice is to pay PRP/TRR for absences of greater than one week in duration. The practice of awarding TRR for absences of greater than 6 months exists in parts of the

¹⁷ 4 week payment is backdated

Local Government, Education and Health Sectors, and in some areas TRR is not paid, albeit in less than 1% of these sectors.

For a breakdown of practice in the Public Service and in each sector, refer to Appendix M.

4.3.1 Key impacts arising from when TRR is paid

Administrative burden

As discussed in Section 4.1 Rate of Pay of TRR, the calculation of TRR presents a very significant administrative burden due to its complexity, the number of actors involved, and the fact that it requires recalculation for each absence as service is accrued.

The administrative overhead is greater where the policy of a sector or organisation is to pay TRR for every absence, irrespective of duration or circumstances. In the case of the Civil Service, which pays TRR for all absences in a majority of Departments, 50% of absences are less than 5 working days in duration.¹⁸

Furthermore, delays often arise in processing TRR calculations which leads to under- or overpayments. This issue is compounded where the practice is to pay TRR for all absences including short, sporadic absences.

Equity

Considerable inequity arises due to mixed practice both within and across sectors as to when TRR is paid. This ranges from paying TRR immediately, after a week, after a month or longer, to paying it automatically or at the discretion of management where it is deemed to be warranted. The sectors have raised this issue as one of major concern as the potential difference in treatment of staff is great.

There is also a degree of inequity between pre and post 1995 staff where in certain circumstances TRR can be received immediately while a delay of 6 days applies for Illness Benefit.

¹⁸ Based on analysis of absence records in the four largest Civil Service departments in 2014

Box 5: What does payment of TRR on Case-by-case basis mean?

Data returns from the sectors indicate the TRR is currently paid on a case-by-case basis in 23% of the Public Service (prior to the introduction of the Scheme Pension Rate of Pay was paid on a case-by-case basis in 40%). This masks a variety of practices which merits further examination. However, detailed data is limited.

The largest driver of this practice is the Health Sector, which makes up 35% of the Public Service. This response was also noted in substantial parts of the Civil Service (48%) and the Local Government (25%) – see Appendix M for a full break down.

Based on policy documents and established practices on payment of TRR in the sectors, as well as explanation notes accompanying a proportion of data submissions, it is likely that this discretion to pay TRR on a case-by-case basis is often only exercised once an absence reaches a certain length, evidencing the view that TRR is seen as a payment for longer-term sick absences.

Policy and Practice

Health Sector: The provisions and procedures around Pension Rate of Pay (now TRR) are set out in the *HSE Long Term Absence Benefit Schemes Guidelines*, implying that the payment is considered for a long-term recuperation from an illness/ injury, although no period is formally specified (see ‘Returns’ below). PRP pre-existed the Public Service Sick Leave Scheme for the majority of Health Sector workers. The Guidelines, which apply in the HSE, but not in other non-HSE bodies, were first agreed in 2012. In order to qualify for the Scheme, “there must be a reasonable expectation of the employee’s return to work”. The employee must complete a medical assessment by the Occupation Health Department to indicate the likelihood of his/ her return to work as part of the application process.²

Returns

Explanatory notes were received from one third of the employers in the Health Sector who provided returns as to the timing of when discretion can be exercised. The proportion of use of each timeframe is illustrated in Figure 3.

Figure 3: Timeframe for the award of TRR on a case-by-case basis in the Health Sector



Note: Returns were submitted for 72,027 FTEs which represents approximately 72% of the Health Sector. Of these, 43% declared that TRR is paid on a case-by-case basis. 31% of these provided explanatory notes on the timing of when the discretion to pay TRR can be exercised, represented in Figure 3.


Local Government: TRR in the Local Government sector is payable only for long-term absences (over 28 days/ 4 weeks) and payment is then backdated to the first day of absence. An interim arrangement currently in place allows for payment of TRR to employees paying Class D PRSI (not eligible for Illness Benefit) from the first day of absence at the discretion of the Chief Executive of each Local Authority.

Civil Service: Although policy is not standardised, the vast majority of Civil Service Departments and Organisations pay TRR for all absences. One department pays TRR for absences of 2 weeks or longer only and a number of other organisations exercise discretion to pay only in particular circumstances. In all cases, however, payment of TRR may be withheld in cases of misuse.

4.3.2 Options for when to pay TRR

The following options were discussed at workshops held with Civil Service HR managers and sectoral management and scored under each of the evaluation criteria.

Table 4: TRR When to pay– Options for change

Option	
A	Do Nothing
B	TRR for all absences
C	Automatic payment of TRR for all absences from 7th day of absence
D	Automatic payment of TRR for all absences from end of 4th week of absence (28th day) with certain exceptions (CIP, CIP Protective Year)  Preferred Option

4.3.3 Preferred option

Option D, automatic payment of TRR for all absences from 28th day of absence, is the preferred option.

Under this approach:

- Staff who have been absent on sick leave for 27 days or longer before exhausting paid sick leave will be paid TRR immediately from the 28th day;
- Staff who remain absent for 28 days or longer will have the TRR payment backdated to the 7th day of absence, in line with payment of Illness Benefit;
- Staff who have availed of CIP or who are within the ‘protective year’ (see Section 5.1) will be paid TRR from the first date of absence;
- The payment of TRR will remain discretionary and may not be granted in certain circumstances;
- The eligibility requirement of reasonable prospect of returning to work and providing regular and effective service is maintained.

The proposed payment of TRR for long-term absences only would disincentive absenteeism while providing protection, via backdating, for those who are experience a serious long-term illness.

Option A was not considered acceptable due to the equity concerns raised by current mixed practices in the Public Service.

Automatic Payment of TRR for all absences of less than 7 days (Option B) is not considered acceptable.as it deviates from current practice in the majority of the Public Service and would be significantly cost increasing. Payment for all absences would also have a significant administrative overhead that would increase the administrative costs and likely give rise to an increase in overpayments, similar to the Civil Service.¹⁹

Option C represents a compromise between parts of the Public Service which pay TRR for all absences and parts which pay TRR only in limited cases of long-term absences. It is also broadly in line with payment of Illness Benefit by the Department of Social Protection. However this option was not considered acceptable as when coupled with the introduction of a flat rate of TRR and increase in numbers eligible, it would be significantly cost increasing.

¹⁹ In 2014 53% of TRR absences in the Civil Service were of 6 days or less in duration.

Box 6 summarises the proposed approach to TRR.

Box 6 - TRR Proposal

TRR may be paid if sick leave at full pay and half pay have been exhausted (183 days for an ordinary illnesses and 365 days under the CIP).

TRR will be paid at a rate of 30% of FTE salary and all staff are eligible.

Ordinarily TRR is not paid in the first 27 days of absence, except in these circumstances:

- For continuous absences which have begun more than 27 days previously (e.g. transition directly from full/half pay to TRR);
- If the person is in receipt of CIP (e.g. no wait applies during CIP, this could arise if someone was granted CIP twice in a four year period and had access to TRR only);
- If the illness occurs during the protective year (the person has previously had CIP).

TRR will remain a discretionary payment and it is not considered reckonable for superannuation purposes.

Box 7: Impact of introducing TRR for all absences over 28 days (managerial discretion retained)

Simplification Impact

The administrative burden is one of the principal issues arising from the current TRR arrangements. A standard approach to non-payment of TRR for short absences would reduce the administrative burden by eliminating a significant proportion of the TRR calculations and related transactions.

Equity Impact

The status quo, whereby staff in certain sectors and parts of sectors may qualify to receive TRR while others may not in very similar circumstances is inequitable.

The preferred option, payment of TRR for absences of four week or longer, would bring TRR in line with Illness Benefit payments, ensuring equity of treatment of pre and post 1995 staff. It should be noted that it is not proposed that payments for absences be backdated, similarly to the administration of Illness Benefit, e.g. payment begins from day 7 of the absence.

Cost Impact

In the Civil Service, over 50% of absences on TRR are 5 days or less in duration. There is no comparable data available for other sectors.

Delaying payment by four working weeks is likely to reduce the number of TRR payments however this may be offset by a change in the rate of TRR and broadening of eligibility. At present, TRR represents less than 2% of the cost of sick leave. It is principally through the reduction in administrative burden that cost savings would be achieved.

Continued: Impact of introducing TRR for all absences over 28 days

Absenteeism Impact

Data on sick leave illustrates that there is significant variance in the proportion of staff availing of TRR in each sector (see Table 5). The practice in the Education Sector is to pay TRR for every absence, as it is in 41% of the Civil Service, yet a considerably greater proportion of Civil Service staff are availing of TRR. Therefore, policy on when TRR is paid is only one factor influencing absenteeism. Management of absenteeism is likely also a relevant factor.

Table 5: Percentage of the workforce availing of TRR in a given year

Sector	Percentage of workforce availing of TRR in 1 year
Civil Service	4.9% ²
Health Sector	0.3% ³
Education	0.6% ⁴
Justice	n/a
Local Government	n/a

Consistent and effective management of TRR is likely to positively impact absenteeism. TRR is a discretionary payment and it can be withheld or removed in case of abuse. Therefore, an argument can be proffered that reducing the payment duration would negatively impact only the most vulnerable staff, those who require significant sick leave to recover from illness or injury and this group should not be penalised due to potential abuse of the payment by others. For this reason, it is important to retain management discretion for the payment of TRR.

Protection Impact

Non-payment of TRR for sporadic absences would diminish the level of protection in the sectors where this is currently the practice. However, it is argued that 6 months' paid sick leave in 4 years (or 1 year in 4 years for CIP) provides adequate protection and TRR provides protection for those it was originally intended to aid – those requiring a longer rehabilitation period for a serious illness.

¹ Based on analysis of 2014 data on the four largest civil service departments (representing 50% of the Civil Service) shows that 50% of TRR absences were 5 working days or less in duration.

² 2014 data on 65% of workforce, those with over 183 days' sick leave, assumption that TRR was paid

³ Data on TRR absences of a cohort of HSE representing 24% of the sector over an 18 month period. If this data is extrapolated to cover the entire sector for a 12 month period it equates to 0.3% of the workforce.

⁴ Data from January-December 2015

5. Critical Illness Protocol (CIP)

5.1 What is the Critical Illness Protocol (CIP)

The CIP defines eligibility criteria for the granting of extended sick leave for critical illnesses (6 months at full pay and 6 months at half pay, subject to an overall limit of 1 year in a 4 year rolling period). The decision to award it is made by the HR Manager following consultation with the Occupational Health Physician.

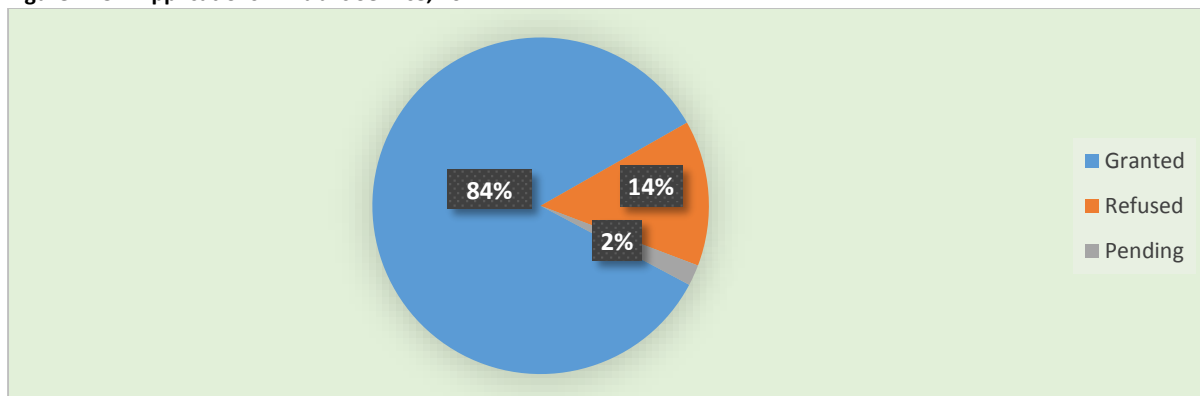
The Medical criteria which must be met for extended leave to be granted are set out in the CIP. CIP extended leave may also be granted based on management's discretion where the medical criteria are not met.

The 'protective year' means that someone who has returned to work following CIP may avail of any remaining CIP leave for subsequent non-critical illnesses/ injuries which occur within one year of the first date of absence due to the critical illness/injury for which CIP was granted.

5.1.1 Data

Since the introduction of the Sick Leave Scheme,²⁰ there have been over 2,175 applications for CIP in the Public Service.²¹ Data collected to date show that of CIP applications received 84% have been granted across the public service. 75% of CIPs awarded were granted on medical grounds and 19% of those refused were appealed, of which half were successful (see Figure 4).

Figure 4: CIP Applications in Public Service, 2014*



* Based on available returns. In certain sectors the authority to grant CIP is devolved and as such data was unavailable centrally. The unavailable figures may alter the overall rates of CIP being granted.

²⁰ March 2014 for the majority of sectors and September 2014 for the Education Sector

²¹ This figure is a minimum figure. In certain sectors the authority to grant CIP is devolved and as such data was unavailable centrally.

Box 8: The Case for Change to CIP

In general, there is a high degree of satisfaction with how the Critical Illness Protocol is operating. Access to extended sick leave in cases of critical illness affords substantial additional protection to public servants who are ill. It is perceived as fair and the processes are operating reasonably well. Nevertheless a number of areas were raised in the course of the Review where the operation of CIP could be improved.

Medical Criteria: sectoral liaisons and Civil Service HR managers reported that the medical criteria were narrow. As a result, additional cases are put to them for decision based on management discretion, in some cases of a serious nature.

Management Discretion: sectoral liaisons and Civil Service HR managers reported that decision-makers find decision-making difficult for a number of reasons and as a result are reluctant to exercise discretion so as to avoid being accused of bias and setting precedents for particular illness types. As a result, additional cases are put to them for decision based on management discretion.

Protective Year: It is reported that the majority CIP absences are close to or longer than one year. As a result, for those who may benefit from it, the protective year offers limited protection as the time window where it may be availed of is narrow.

Length of Process: It was reported by staff representatives that the length of the process of application is too long. Staff who have applied for CIP can reach pay thresholds before their application is processed.

5.2 Wording of Medical Criteria

5.2.1 Issue

Medical criteria which should be met for extended leave to be granted under the CIP were perceived by the sectors as narrow. It was also considered unclear that chronic illnesses may also meet the medical criteria and this may discourage application.

5.2.2 Impact

Although the threshold to qualify for CIP is intended to be high, certain criteria were regarded as too rigid or not reflective of the intended meaning. For example the 14 day hospital threshold is considered high. There is no access currently to those who attend day treatment in a hospital which is a feature of current treatment methodologies for certain types of illness, including mental illness.

5.2.3 Recommendation

Revised wording of medical criteria was devised in consultation with Occupational Health Physicians (see Box 9 for complete text).

(a) Chronic progressive illness, with well-established potential to reduce life expectancy (in circumstances where there is no medical intervention): The footnote 'in circumstances where there is no medical intervention' should be removed as almost any condition untreated can impact life expectancy. It is proposed to add the term 'significant' to the definition to replace well-established as it was stated that this better reflected the intended medical meaning.

(b) Major physical trauma ordinarily requiring corrective acute operative surgical treatment: the term 'acute major' should be added to better reflect the intended medical meaning.

(d) In-patient hospital or care of two weeks or greater: The in-patient hospital care requirement from should be reduced from 2 weeks to 10 days. This reflects a reduction in in-hospital care times. It was also proposed to include the term 'day hospital' to account for the fact that certain treatment facilities operate on this basis.

With regard to the length of time for the submission of third party reports, (para 2.1.3) it is proposed to include a definition of the period during which medical reports should be submitted i.e. 'Ordinarily

4 weeks'. This is based on the view that if it takes longer, action should be taken to address the situation.

Box 9: CRITERIA FOR AWARD OF EXTENDED PAID SICK LEAVE (Extract from Critical Illness Protocol)

Proposed changes to text are marked in red text

2.1 In determining whether an individual may be granted access to exceptional extended paid sick leave the following criteria apply:

- 2.1.1 The employee should ordinarily be under the current or recent clinical care of a consultant either as an inpatient or outpatient. This excludes employees attending primarily for report preparation or medico legal purposes.
- 2.1.2 The case must be referred by the employer to its Occupational Health Service for medical advice.
- 2.1.3 The responsibility lies with the employee to furnish any treating doctor's medical reports requested within an appropriate time-frame (ordinarily 4 weeks) to avail of the exceptional extended paid sick leave. A treating consultant's specialism must be appropriate to the critical illness for which the employee is making a claim.
- 2.1.4 The Occupational Physician, from the employer's Occupational Health Service, will advise whether, in their opinion, the following criteria are met:
 - i. The employee is medically unfit to return to his or her current duties or (where practicable) modified duties in the same pay grade
 - ii. The nature of this medical condition has **at least one** of the following characteristics:
 - (a) Acute life threatening physical illness
 - (b) Chronic progressive illness, with **significant** potential to reduce life expectancy
 - (c) **Acute** major physical trauma ordinarily requiring corrective acute operative surgical treatment
 - (d) In-patient hospital **or day hospital** care of **ten days** or greater.
- 2.1.5 The Occupational Physician will consider the information provided by the treating doctor, and may confer with them with consent if they feel this would be helpful. It is not an absolute requirement that a definitive final diagnosis has been made. The Occupational Physician may accept a presumptive diagnosis on a case by case basis.

5.3 Guidelines on the use of management discretion

5.3.1 Issue

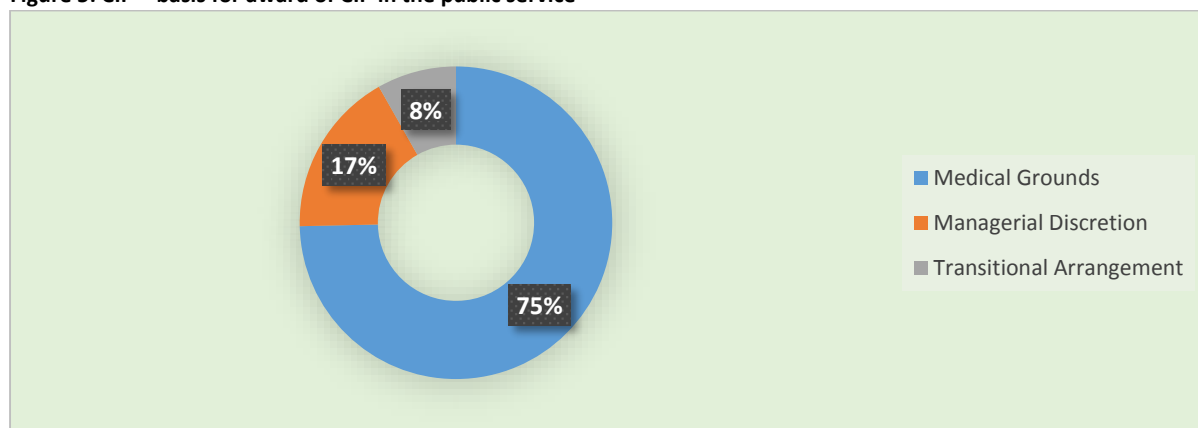
Managers are reportedly reluctant to use management discretion when considering whether or not an individual should be awarded CIP despite not meeting the strict medical criteria, even in cases where they are of the opinion that the severity of the illness and the length of the recovery period could possibly warrant it. There is currently no guidance as to what information the manager should take into account to make a fair and reasonable decision. Additional support was requested by stakeholders.

5.3.2 Impact

Difficult cases for decision are referred to management for consideration where the medical criteria are not met. Although there is no quantitative data to support this, it is reported that management are in some cases unwilling to consider awarding CIP unless the medical criteria are met. There are likely to be differences across and within sectors in this regard, leading to concerns of equity of treatment. Decision-makers can vary in levels of expertise and experience e.g. small HR units, boards of management in schools, and as a result inconsistencies can arise. While this is offset to some degree by appeal mechanisms in place, a standard approach to decision-making across the sectors is desirable.

The data on the use of management discretion in the granting of CIP indicates that approval is granted on this basis in around 25% of cases (see Figure 5).

Figure 5: CIP – basis for award of CIP in the public service



5.3.3 Recommendation

It was agreed that guidelines encompassing principles and procedures would assist managers to make reasoned decisions grounded in fair procedure. The purpose of the guidelines is to facilitate practical, consistent and objective decision making across the Public Service, e.g. teachers and principals, local authorities, health care professionals, etc.

The guidelines clarify the principles that should be used by management when considering whether or not a person should be awarded CIP. The guidelines also refer to the principle of reasonable accommodation which should be considered in accordance with the Employment Equality Acts. In the early stages of an absence the employer should consider the nature of the employee's role and what reasonable accommodation can be made to assist employee to return to work as soon as possible. The nature of the role and reasonable accommodation measures available should also be considered in reaching a decision on the award of CIP. (See Box 10 for a summary of the guidelines).

5.4 Protective Year

5.4.1 Issue

The 'protective year' means that someone who has returned to work following CIP may avail of remaining CIP leave for subsequent non-critical illnesses/ injuries which occur within one year of the first date of absence due to the critical illness/injury for which CIP was granted. The sectors reported that issues had not arisen around the protective year.

5.4.2 Impact

It is reported that the average length of absence for CIP is above or close to a year, suggesting that the current practice of commencing the protective year from the first date of absence does not grant

the protection intended. Extending the period to begin on the date of return would enhance the support to those returning from a serious illness who may suffer from a routine illness in the following year. This would offer protection for those who may be more vulnerable to illness after a period of serious illness.

5.4.3 Recommendation

It is recommended to begin the protective year on the date of return to work rather than the beginning of the absence. The one year protection would mean that the individual could avail any remaining the extended sick leave over a twelve month period following their return to work. It is noted that this change would be cost increasing, although there is no data available to indicate the level of the increase.

Box 10: Overview of CIP Management Guidelines

The guidelines set out the legislative basis underpinning the CIP. The Regulations¹ provide that the granting of CIP is as follows:

(a) On the basis of Medical Certification

This requires that the illness, injury or condition is medically certified as meeting the medical criteria and is deemed unfit for work.

(b) On the basis of Managerial Discretion for ‘exceptional circumstances’

Who decides?

The manager is the decision-maker in both cases although the occupational health advice may determine eligibility through verification that the medical criteria have been met.

Procedure to grant CIP on the basis of Managerial Discretion for ‘exceptional circumstances’

The legislation states that the decision is based on the exceptional circumstances relating to an illness, injury or condition.

What must be established?

The guidelines set out what may be considered when determining if there are “exceptional circumstances” which would warrant the award of CIP that has not met the medical criteria.

A general principle to be borne in mind throughout the process is the consideration of the normal meaning of the word “exceptional”, meaning “unusual” or “not typical”. Is this a normal and typical illness, injury or condition or is it an unusual and/or not typical illness, injury or condition?

In making a decision on granting managerial discretion CIP, the Manager should consider the following three aspects:

Pillar 1: The Occupational Physician’s report- liaise with the OHP if necessary. E.g. Factors to be considered may include standard recovery times for the condition where these exist (e.g. elective surgical procedures), presence of additional medical conditions where relevant or presence of medical complications.

Pillar 2: Further relevant information provided by the individual - liaise with the person if necessary. The Manager may wish to speak to the person to make sure that they are aware of all of the circumstances that may amount to “exceptional circumstances”.

Pillar 3: Relevant HR information and professional judgement – e.g the willingness of the individual to engage with treatment and to rehabilitate and recover from the illness, the nature of the injury or condition, the nature of the individual’s role and the approach taken by the Manager in other cases and the need for consistency of approach. The draft guidelines then give advice on what type of information should be provided when informing the individual of the decision and of the appeals process

¹Section 58B of the Public Service Management (Recruitment and Appointments) Act 2004 as amended (“the Act of 2004”) provides the statutory basis for the making of regulations governing sick leave remuneration in the public service. The Public Service Management (Sick Leave) Regulations 2014 (S.I. 124 of 2014).

5.5 Chronic Illness

5.5.1 Issue

Due to the characteristics of chronic illnesses, absences are likely to be short and non-consecutive rather than a long continuous period as with other illness. The CIP was conceived to provide additional protection in cases of illnesses which require longer periods of rehabilitation. It is not considered clear that critical chronic illnesses, where absences may be short and sporadic, may also meet the eligibility criteria.

5.5.2 Impact

Currently, the CIP is available for those who have a chronic condition or disease where the medical criteria are met and/or the characteristics of the illness are such that CIP is warranted under management discretion. However in some cases individuals are not apply for CIP as the eligibility requirements and how they apply are not fully understood. As it is likely that sick pay thresholds are reached over a longer period, those with chronic illnesses who do apply for CIP often wait until sick leave at full pay is exhausted before applying.

5.5.3 Recommendation

It is recommended that awareness is raised in each sector of the eligibility of critical chronic illness for CIP. Prospective applicants should be encouraged to apply for CIP, and to do so in advance of sick pay thresholds being reached. Where illness continues over a number of years (after expiry of the protective year), CIP should be reapplied for once the period of protection lapses.

5.6 Length of Process

5.6.1 Issue

During the issue identification phase of the review it was found that awarding of CIP is often delayed, with the result that staff reach thresholds into half pay/ TRR/ unpaid leave before a decision is made. Practices vary on the awarding of TRR while applications are processed. In some cases, staff move from half to nil pay in this case with underpayments backdated.

A number of pressure points in the CIP process were identified by the Sectors and Occupational Health Physicians (OHPs). Although their impact cannot be quantified, it is reported that the most significant of these is late application for CIP. In many instances applications for CIP are made only when a pay threshold is crossed, e.g. when a person's sick leave at full pay is exhausted, usually after 3 months.

5.6.2 Impact

The impact on employees who are pay-impacted due to a long illness can be very negative at a time of considerable stress and vulnerability.

From an administrative perspective, delays in the application process can result in changes in pay rates which have to be reversed and underpayments reimbursed. This causes an unnecessary administrative burden.

5.6.3 Data/ Evidence

No data exists as to the average length of time for a CIP application to be processed. In the Local Government Sector it generally ranges from 10-14 days. This may be due to relatively short time in getting an appointment with the Occupational Health provider (each local authority chooses its Occupational Health provider).

Sectors provided process maps for the application for CIP. Processes are very similar across sectors, with the principal difference being the relevant decision maker (e.g. a line manager, HR manager, more senior manager, or in the case of the Education Sector, the board of management of a school).

Examination of processes in place in the sectors identified a number of possible reasons for delay. While it is not possible to quantify to what degree each contributes to delays within each sector, it is useful to consider what actions can be taken to alleviate these.

5.6.4 Recommendations

Reasons for delay and possible actions to address these are set out in Table 5. In the majority of cases, these actions will be taken on a sectoral level.

The principal finding is the importance of anticipating likely candidates for CIP and encouraging them to apply as early as possible when their absence commences or in the case of chronic conditions, where one is diagnosed. This can be done by raising awareness of the existence of CIP amongst all employees, employees who are ill, and/or line managers.

Table 5: Reasons for delays in CIP and possible actions to improve

Reason for delay	Root cause	Recommended actions for discussion
Line manager/ HR Manager does not know that the employee has a potentially critical illness	Lack of contact/engagement between line manager and employee	<ul style="list-style-type: none"> . Include specification in Circular of role of line manager to inform about CIP and encourage early application . Line managers to be made aware of responsibilities under the Sick Leave Circular (and similar) e.g. to remain in regular contact
Line manager is not aware of CIP	<ul style="list-style-type: none"> . General lack of awareness of CIP . Lack of training for line managers 	<ul style="list-style-type: none"> . Improve awareness/ line manager training
Employee is not aware of CIP	General lack of awareness of CIP	<ul style="list-style-type: none"> . Improve awareness
Delay in diagnosis of critical conditions (medical factors or delay in getting appointments)	<ul style="list-style-type: none"> . Nature of medical condition . Health service constraints 	<ul style="list-style-type: none"> . Out of HR managers' control
Employee is too sick to engage in CIP process	Nature of medical condition	<ul style="list-style-type: none"> . Responsibility of relevant manager to engage with next of kin . Relevant manager to progress application on behalf of employee (include in circular)
Delay in employee getting an appointment with OHP	<ul style="list-style-type: none"> . Lack of capacity of OHP . Administrative delays within sectors 	<ul style="list-style-type: none"> . OHP to consider CIP eligibility, even if referral for another purpose (4 week referral, repeated short-term absences)
Third party medical reports are not provided to OHP on time	Capacity problem	<ul style="list-style-type: none"> . Require third parties to complete standard form on behalf of OHPs

5.7 Available data on CIP decisions in the sectors

5.7.1 Issue

Data on the numbers receiving CIP is not being universally collected across the Public Service.

5.7.2 Impact

Operation of the CIP cannot be fully monitored to ensure that it is applied consistently across the sectors without complete and robust data on the numbers receiving CIP and the grounds on which it is received.

5.7.3 Recommendation

All sectors should ensure that data on CIP decisions are recorded locally and reported centrally. This data should be provided to DPER as part of the annual sick leave statistical returns and should include breakdowns on awards of CIP on medical and managerial grounds, refusals and appeals, both successful and unsuccessful. This data will assist in ensuring that the CIP is applied consistently across the sectors.

Box 11 summarises the recommendations made in the area of CIP.

Box 11: CIP Proposal

- 1. Clarify Medical Criteria** – Change the wording of the medical criteria in the areas highlighted in conjunction with the Occupation Health Physicians. Chronic illnesses which meet the criteria are also eligible, however awareness of this is low (see point 4).
- 2. Guidelines on Management Discretion** – Introduce guidelines for managers on the use of management discretion and the decision-making process.
- 3. Extend Protective Year** - Commence the protective year from the date of return to work following illness rather than the first date of absence.
- 4. Raise awareness of CIP**– Sectors should raise awareness of the CIP so as to encourage early application. Awareness of eligibility of chronic illnesses for CIP where conditions are met should also be increased. An amendment will be made to the circular (and analogous documents in sectors) regarding the role of line manager in informing staff of CIP.
- 5. Include operation of CIP in annual statistics return** – In order to ensure that CIP is operating consistently across the sectors, data on CIP applications refused, awarded an appealed will be included in the annual sectoral returns and monitored by this Department.

6. Calculation of the ‘Look Back’ Period

6.1 What is the Look Back?

The Dual Look Back is performed to calculate an individual’s access to paid sick leave and the appropriate rate of payment.²²

- Where a public servant takes sick leave, the dual look back is performed to determine the access to and rate of paid sick leave.
- Firstly a 4-year look back on the number of sick days a person has taken determines whether a staff member has access to further paid sick leave i.e. they should have if they have not exhausted all of days available under the Scheme.
- If the 4-year look back indicates that the staff member has further access to paid sick leave, the 1-year look back then determines the rate at which the staff member should be paid (92 days at full pay and 91 days at half pay).

6.1.1 Data

Data was gathered from the sectors on the operation of the Look Back as part of a data gathering exercise during Phase 1 of the review. Information was provided on the practices in place and the proportion of the sector where these practices apply. The data is presented in this report as relevant.

Box 12: The Case for standardising the look back across the sectors

Sectors have taken different approaches in terms of:

1. Which sick leave types are counted towards a person’s overall limits in the 4 year look back (sick leave at full pay, sick leave at half pay, TRR/PRP, unpaid sick leave) - discussed in Section 6.2
2. Whether the 1 year and 4 year look back are based on calendar years or years of service (i.e. taking into account extended absences from the work place), or a hybrid of the two -discussed in Section 6.3.

These differences give rise to equity concerns as an individual may have substantially less or greater access to paid sick leave depending on the practice in an individual’s sector.

Example of effect of different practices on how the 4 year look back operates:

4 year record

15 days (full pay)

91 days (half pay)

50 days (TRR)

50 days (unpaid)

Practice 1

Total days on 4 year record: 206 days

Access to paid sick leave: **0 days**

Practice 2

Total days on 4 year record: 106 days

Access to paid sick leave: **77 days**

²² The look back is set out in the Sick Leave Regulations. Regulation 9 details the 1 year look back. This regulation is subject to Regulation 10 which details the 4 year look back. Regulations 12 and 13 set out the 1 and 4 year look back which apply in the case of extended sick leave under the Critical Illness Protocol.

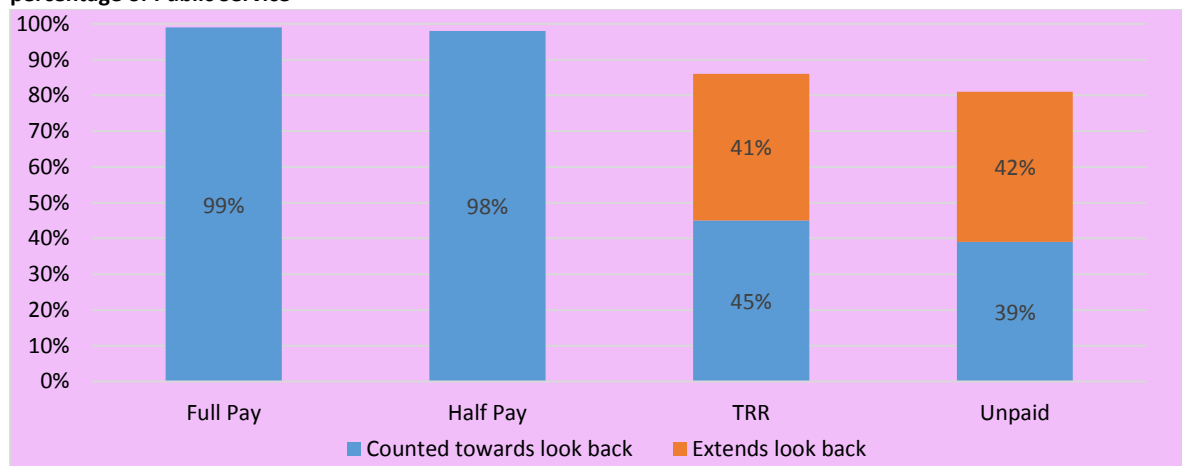
6.2 Types of sick leave counted in the look back

There are different practices across and within the sectors in respect the types of sick leave are counted towards a person's overall limit i.e. sick leave at full pay, half pay, PRP/TRR and unpaid sick leave This raises considerable equity concerns as it can result in greater or lesser access to paid sick leave.

6.2.1 Data

There different practices in place are as illustrated in Figures 6 and 7 below.

Figure 6: Types of Sick Leave counted towards the 4 year sick leave threshold or which extend the look back, practice by percentage of Public Service

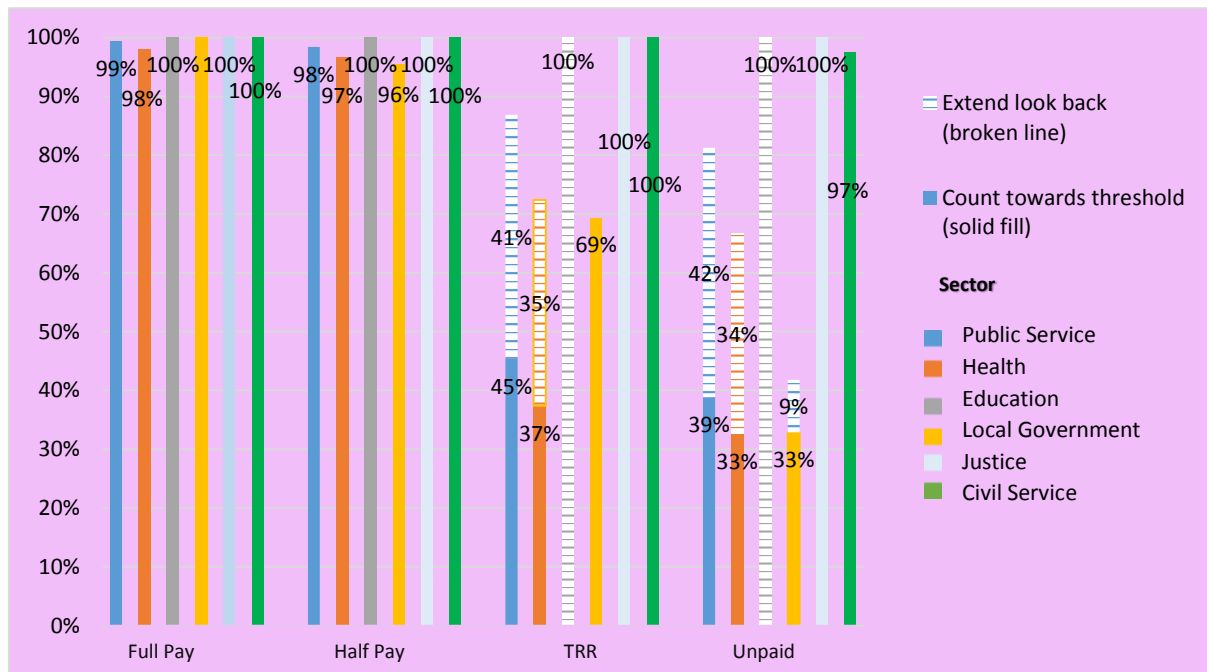


In the Justice Sector and the Civil Service, sick leave at full and half pay, TRR and unpaid sick leave are all counted towards the limits. In the Health and Local Government sectors sick leave at full and half pay are uniformly counted, while TRR and unpaid sick leave are counted in one third and two-thirds of the sector respectively.

Although the Education Sector does not count TRR or unpaid sick leave towards limits, the look back is extended to account for the days taken at these rates. Extension of the look back is discussed in further detail in Section 6.3. The net effect of this practice is that individuals may have significantly greater access to sick leave as, in general, extension of the look back is likely to be more beneficial than counting the days towards sick leave limits.

The majority of the Health and Local Government Sector do not count unpaid sick leave while the other sectors do uniformly (see Figure 7).

Figure 7: Proportion of each sector counting sick leave types towards the 4 year sick leave threshold or extending the look back



6.2.2 Impact

Equity

The divergent practices in place across the sectors with regard to the types of sick leave that are counted towards the 1 and 4 year look backs raise important equity concerns.

Administrative Burden

This issue has no impact on the administration of the Scheme. A change in practice is not likely to result in a substantially increased administrative burden.

6.2.3 Options

The options listed in the table below were discussed at workshops held with Civil Service HR managers and sectoral management.

Table 6: Types sick leave counted towards thresholds - Options for consideration

Option	
A	'Do Nothing' - Sectoral arrangements continue
B	Count all sick leave towards thresholds ★ Preferred Option
C	Count all paid sick leave towards thresholds (full pay/ half pay/ TRR)
D	Count sick leave at full pay and half pay towards thresholds

6.2.4 Recommendation

The recommended approach is Option B - count all sick leave towards thresholds. It is felt that this approach fully takes account of all sick leave availed of, irrespective of the rate at which it was paid. While TRR is counted by just under half of the Public Service, this is accounted by the fact that the Education Sector extends the look back to take account of TRR rather than count it towards sick leave thresholds, based on the Regulations as currently drafted.

The operation of the look back is based on a dual process. Firstly the **4 year look back** assess the number of days of absence due to illness. If this is below 183 (6 months) in the case of an ordinary illness, the remainder may be availed of as paid sick leave (understood as sick leave at full pay or half pay), or if not it may be taken as TRR or unpaid sick leave. The **1 year look back** assesses the number of days at full pay which have been availed of in the past year. An individual may avail of up to 92 days per year at full pay and 91 days at half pay, subject to the 4 year limit of 183 days. Sick days taken at TRR or nil pay are not included in the 1 year look back.

Box 13: Impact of recommended approach to calculating Look Back

Simplification

The operation of the Look Back does not create any fundamental administrative issues. Nevertheless a uniform policy of counting all sick leave types to determine access to sick leave would have the benefit of being clear for administrators and staff, especially in sectors where mixed practices currently apply.

Equity

The preferred option addresses the key concern of inequity by ensuring that individuals in all sectors have the same access to sick leave.

Cost

The recommended approach is likely to reduce the cost of sick leave somewhat, by counting sick leave which was previously not counted in every sector or parts of sectors. While it is not possible to quantify the exact cost, the proportion of staff on TRR and unpaid sick leave is low relative to sick leave at full and half pay. As a result the impact on cost would be positive but not significant.

Absenteeism

Counting sick leave of all types towards the four year look back for determining access to sick leave fully accounts for all absences and accounts for all absences due to illness. An appropriate balance is struck in that once an individual has access to sick leave, sick leave at nil pay or TRR will continue not to affect the one year look back.

Protection

Staff are protected by having access to a period of two years of sick leave at full pay, half pay or TRR in a rolling 4 year period in the case of ordinary sick leave and up to 3 years in the case of a critical illness. Apart from cases of a long illness (which, if serious, may qualify for extended sick leave under the CIP) an individual may avail of 6 months' sick leave at full pay every 4 years which affords significant protection to public servants who are ill.

6.3 Calendar Years v Years of Service

Practices are mixed across and within the sectors as to how the 1 year and 4 year look back operate. In some cases these are based on calendar years, in others the look back is extended to take account of breaks in service. This raises an equity concern as access to paid sick leave may be impacted.

The majority of the Public Service extends the 4 year and the 1 year look back to take account of certain breaks in service. The Justice Sector however, performs the look back based on calendar years. Where the look back is extended there are differing interpretations as to what constitutes a break in service. Leave types which extend the look back in the majority of sectors generally meet the following three criteria:

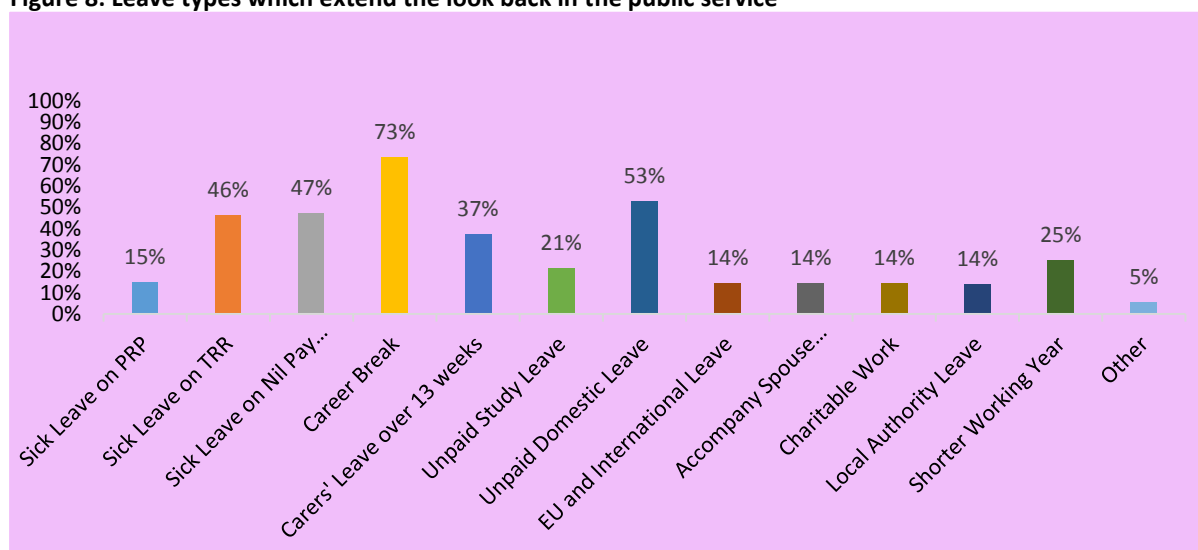
- Unpaid;
- Do not count for superannuation purposes;
- Reduce annual leave entitlements.

A list of leaves and whether or not they extended the look back in the Civil Service is included in Appendix N.

6.3.1 Data

There is a broad consensus on extension of the look back to take account of career breaks (73% of public service, see Figure 8). However there is no consensus on the inclusion of other types of non-statutory, unpaid leaves, including, for example shorter working year, unpaid domestic leave, etc. The proportion of the Public Service which extends the look back for each leave type is presented in Figure 8. Low percentages can in some cases be attributed to the fact that the leave type does not exist in all sectors. For example, a number of unpaid leave policies in place in the Civil Service only, which accounts for 14% of the Public Service, and do not have an equivalent in other sectors (EU and international leave, accompany spouse abroad leave, charitable work, local authority leave etc.)

Figure 8: Leave types which extend the look back in the public service



6.3.2 Impact

Equity

Practices currently in place are mixed across and sometimes within sectors. This raises concerns from an equity perspective. Extension of the look back is based on the premise that where staff do not accrue service they do not accrue access to sick leave.

Statutory leaves do not extend the look back even though they are considered breaks in service (unpaid maternity leave, carer's leave, parental leave) ensuring certain categories of staff are protected.


Administrative Burden

The configuration of IT systems in place in the sectors has a bearing on the feasibility of counting breaks in service. For example in the Civil Service where the practice is to extend the look back, the process is extremely resource intensive and constitutes a very large administrative burden for PeoplePoint, the Civil Service HR and Pensions Shared Service. The resulting delays in performing calculations can lead to overpayments which are extremely resource-intensive to rectify. There are currently two IT systems currently in place in the Justice Sector which record sick leave and other leave types separately rendering extension for breaks in service unfeasible. Extensions to account for breaks of service meeting the relevant criteria is fully automated by the IT system in the Education Sector and does not impose any administrative burden.

6.3.3 Options

The following options were discussed at workshops held with Civil Service HR managers and sectoral management.

Table 7: Look Back calculation –Calendar Years or Years of Service- Options considered

Option	
A	'Do Nothing'- Sectoral arrangements continue
B	Calculate based on calendar years  Preferred Option
C	Calculate based on years of service – sectors define which leave types extend look back period
D	Calculate based on years of service – using a standardised definition of leaves that extend the look back period

6.3.4 Recommendation

The recommended approach is a variation of option B – **calculate based on calendar years**. Breaks in service of longer than 6 months, e.g. career breaks or long-term carer's leave would however extend the look back.

In the Justice Sector uptake of career breaks is 0.03% of the sector²³ (compared to 0.01% in the Civil Service²⁴).

²³ 511 of 14,895 FTEs in the Justice Sector (0.03%)

²⁴ 481 of 34,861 FTEs in the Civil Service (0.01%)

Box 14: Impact of recommended approach for consideration of look back 'years'

Simplification

The recommended approach is beneficial from a simplification perspective in the Civil Service, where the current practice of extending for all leaves which meet the criteria of being unpaid, non-pensionable and where annual leave is not accrued, causes a significant administrative burden.

However, where any break in service is counted, it would impose an additional burden in the Justice Sector, where breaks in service are currently not considered. There is no administrative issue at play in the Education sector.

Equity

This criterion is weighted highly due to the view that the current mixed practices are inequitable. The recommended approach is preferable to the status quo as it standardises the treatment of breaks in service for all public servants. Nevertheless, an inequity arises in the different treatment of leave types. For example, currently a worksharer with a 75% FTE pattern has access to sick leave reduced on a pro-rata basis, while an individual who availed of 12 weeks' leave (effectively working 75% of the year) has their look back extended by 3 months. Depending on timing of illness absences, the latter approach is likely to be more beneficial. The recommended approach increases the difference in treatment of these two individuals.

Cost

The recommended approach is likely to increase costs of sick leave somewhat in sectors where breaks in service extended the look back (Civil Service, Education sector). However, career breaks (and breaks of 6 months and over) will continue to extend the look back. These are currently counted in the vast majority of public service bodies (73%).

Increased costs may be offset somewhat by a substantial administrative saving in sectors where a manual or partially-manual calculation is required to establish breaks in service.

Absenteeism

The recommended approach may negatively impact on absenteeism by increasing access to sick leave in sectors where more leave types extended the look back. However, it is not considered that the impact will be significant (see cost).

Protection

The proposed recommendation improves protection for a limited number of public servants; those in sectors where the look back was extended to account for breaks in service, who approach sick leave thresholds and who have availed of leaves which currently extend their look backs.

7. Other operational issues

The three key issues examined in detail as part of the review of the operation of the Scheme are Temporary Rehabilitation Remuneration (TRR), the Critical Illness Protocol (CIP) and the Look Back. These issues are of key importance due to their significant impact in terms of equity and/or administrative burden. A number of other issues have been raised by sectors and staff representatives regarding the operation of the scheme and these are considered here.

7.1 Disability Impact Assessment

7.1.1 Issue

Action 6.7 of the Comprehensive Employment Strategy for People with Disabilities²⁵ requires a Disability Assessment to be conducted as part of the Review of the Sick Leave Scheme. The aim of this assessment is to determine what impact (if any) the Scheme is having on Public Service employees with a disability.

7.1.2 Impact

In conducting this assessment, consideration was given to the appropriate definition of disability (e.g. the definition included in the Disability Act, 2005 or in the Employment Equality Acts, 1998-2015). The definition considered most appropriate in this context was that of the Disability Acts, however account was also taken of the broader definition contained in the Employment Equality Acts in relation to issues of non-discrimination and reasonable accommodation.

Following discussions with sectoral management, consultation with the National Disability Authority and the Civil Service Disability Liaison Officers, no evidence was found to suggest that the Public Service Sick Leave Scheme is having an unduly negative impact on public servants with a disability. The level of protection provided by the Sick Leave Scheme, the flexibility afforded by the CIP to account for exceptional circumstances relating to illness or injury, and the broad range of measures of reasonable accommodation available (depending on the requirements of the sector) e.g. work-sharing, phased return to work, shorter working year, modified duties etc. mean that the Scheme is not considered to have a discriminatory impact on public servants with a disability.

7.1.3 Recommendation

It is recommended that provisions in the circulars in the sectors relating to the obligations of the employer to provide reasonable accommodation to individuals who have a disability are clarified and strengthened. These provisions will assist employers and managers to explore all supports available to assist individuals to return to work as soon as possible and to remain in work where practicable.

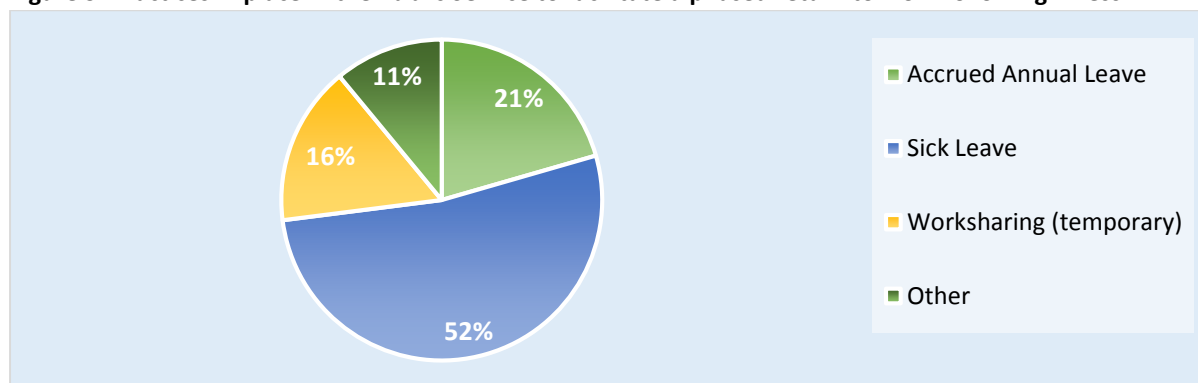
7.2 Phased Return to Work

7.2.1 Issue

An individual recovering from illness or injury may be recommended a phased return to work by their Occupational Health Physician. Various means are used by the sectors to facilitate this process, which can be considered as a reasonable accommodation (see Figure 9).

²⁵ *Comprehensive Employment Strategy for People with Disabilities 2015-2024*, Government of Ireland, <http://www.justice.ie/en/JELR/Comprehensive%20Employment%20Strategy%20for%20People%20with%20Disabilities%20%20FINAL.pdf/Files/Comprehensive%20Employment%20Strategy%20for%20People%20with%20Disabilities%20-%20FINAL.pdf>

Figure 9: Practices in place in the Public Service to facilitate a phased return to work following illness



7.2.2 Impact

There is no standard practice on the appropriate means of facilitating an individual's rehabilitation into the workplace. Decisions are based on medical advice and considerations relating to that individual and the nature of their duties (or modified duties where relevant) as the needs of the workplace.

7.2.3 Options

Options considered were the introduction of a standard phased return to work policy or allowing sectoral approaches based on the individual's needs and the characteristics of the workplace in consultation with the Occupational Health Physician as is currently the case. The latter option is the preferred approach due to that fact that each case is unique and a uniform policy is not practical or desirable.

7.2.4 Recommendation

It is not recommended to introduce a standardised means of phased return to work. However, appropriate considerations in relation to the employer's responsibilities in relation to reasonable accommodation (including phased return to work) and relevant considerations in this regard will be included in a revised circular arising from this review.

7.3 Pregnancy, miscarriage and maternity-related provisions

7.3.1 Issue

Staff organisations have raised a number of issues relating to treatment of pregnancy-related sick leave, miscarriage and post-natal depression.

Issues have been raised in relation to the treatment of miscarriage and post-natal depression and whether they are considered to be pregnancy-related illnesses. There is currently no definition of pregnancy-related illness in the Regulations.

7.3.2 Impact

There are two respects in which the Regulations provide special treatment for pregnancy-related illness.

- *Where the pregnancy-related sick leave occurs after the period when the public servant has exhausted her standard period of sick leave remuneration:* This type of pregnancy-related sick leave is remunerated at half pay. It does not count towards the four-year limit. This is provided for in Regulation 19.
- *Where the pregnancy-related sick leave occurs during a period when the person has not exhausted the general period of paid sick leave:* This sick leave is paid in the normal way, at either full or half pay. The number of days' absence due to the pregnancy-related illness will

be made available at half pay for any subsequent illnesses/injuries (subject to the overall limits). For example, a woman who is absent for 6 months due to a pregnancy-related illness will still have access to 6 months' paid sick leave for ordinary. This is provided for in Regulation 20.

Furthermore, an interim arrangement is in place, whereby all pregnancy-related absences which occurred prior to the introduction of the Scheme are not counted in the look back.

On this basis, concerns raised that a woman will be removed from the pay-roll due to pregnancy-related absences are unfounded.

Miscarriage is extremely distressing. Although physical recovery from a miscarriage can occur quite quickly, emotionally it can take much longer. A miscarriage can occur at any stage of a pregnancy, up until 24 weeks. The loss of a baby after 24 weeks gestation is referred to as a stillbirth. Mothers of stillborn babies born after 24 weeks of pregnancy have a statutory entitlement to maternity leave.

Post-natal depression can be a serious and debilitating illness. Generally it is not considered to be a pregnancy-related illness, however it may be eligible for extended CIP leave depending on its severity and other relevant considerations.

The current practice is to rely on the medical advice of treating doctor and/or the Occupation Health Physicians as to whether an illness is classified as a pregnancy-related illness. It is not considered desirable or appropriate to provide a fixed definition of pregnancy-related illness in the Regulations.

7.3.3 Recommendation

It is not recommended to introduce any changes to the treatment of pregnancy-related illnesses under the Scheme. The Scheme is designed to provide appropriate protection for pregnant public servants, and goes beyond the minimum standards required under Irish and European law.

It is not recommended to include a definition of pregnancy-related illness in the Regulations. The current practice of relying on the views of the treating doctors and/or Occupational Health Physicians should be maintained.

7.4 Calculation of Sick Leave in Hours

7.4.1 Issue

The current operation of the scheme is inequitable in the Health Sector as it does not account for different lengths of shifts worked on particular days and whether the worker is an FTE or a part-time employee. As a large portion of the workforce in this sector works irregular work patterns (shift work) this has a considerable impact. As a result, the Health Sector wishes to move to a system of recording sick leave absences in terms of working hours rather than in calendar days, as is currently the practice in large parts of the sector.

Although the other sectors have a minority of staff for whom irregular work patterns are the norm, it is not perceived by them as a major issue. Work around mechanisms are in place in some sectors at present. In the Civil Service, a multiplier is used to ensure that worksharers have the equivalent access to sick leave as a full time officer. For example, a one-day absence of a 50% worksharer who works mornings only is recorded as 1 day, and not 0.5 day

7.4.2 Impact

There is the potential for a considerable negative impact in the Health Sector in terms of equity as staff may access more or less sick leave depending on their work-sharing pattern and their rostered schedules.

7.4.3 Options

Three options were considered: 'Do Nothing'; introduce an enabling clause in the Regulations to allow sectors to record sick leave in working hours as required following consultation with staff at local level; and introduce a requirement for sick leave to be recorded in working hours for all sectors.

7.4.4 Recommendation

The recommended approach is a variation of the first option – Do Nothing. A full exploration of the issue and the impact on the Health and other sectors was considered to be beyond the scope of this review and will be conducted at a later date. However, in the meantime it is proposed that the operation of the scheme in the Health Sector be reviewed in light of Regulation 22 which provides for access to sick leave to be pro-rated where an individual is working less than full time. This would mean that all Health Sector employees would have access to sick leave commensurate to their FTE status (e.g. a full time worker has access to 183 days' sick leave while a 50% work-sharer has access to 92 days).

7.5 Claims for injuries caused by Third Parties

7.5.1 Issue

Where compensation is received for loss of earnings due to an injury caused by a third party, the cost of paid sick leave should be returned to the employer, as provided for in the Circular on Sick Leave.²⁶ An issue was raised by a staff organisation that a person's sick leave record should be cleared of any absences for which compensation is received.

7.5.2 Impact

The position is that the employer is not negatively impacted by such absences and therefore the individual's sick leave record should not be impacted. This view is not shared by management.

7.5.3 Options

The options discussed were to discount sick leave in such circumstances or to continue with the status quo (not to discount sick leave taken in any circumstance.)²⁷

7.5.4 Recommendation

A strong view was expressed by the sectors that such a policy could not be supported for the following reasons:

- It is inequitable to staff members who suffer illness or injury through no fault of their own, but who cannot place a claim for damages. Currently policy makes no distinctions between the causes of illnesses/ injuries;
- It is inequitable to staff who may have recourse to better legal representation, potentially securing better outcomes in such cases;

²⁶ This provision applies in the Civil Service under paragraph 5.6 of Circular 12/2015.

²⁷ The only exception to this provision is a transitional arrangement in place for pregnancy-related sick leave which occurred prior to the introduction of the Public Service Sick Leave Scheme.

- It is administratively difficult to track. Claims may take years to process. In order to have an effect, discounting of sick leave would generally have to occur in advance of a settlement in being reached which could cause legal risk;
- Although compensation reimburses the employer for the cost of the sick leave, there remains a loss of productivity during the officer's absence and in many sectors, substitution costs are still incurred. As a result, reimbursement of sick leave costs only partially compensates the employer for losses incurred due to the individual's absence.

7.6 Illness Benefit

7.6.1 Issue

All public servants who pay Class A PRSI (generally those recruited after 4 April 1995) are entitled to receive Illness Benefit from the Department of Social Protection (DSP) while they are on sick leave. In some sectors, payment of Illness Benefit is mandated to the employer. This means that the employee completes the requisite form (MC1 or MC1 form) and submits it to his or her employer. The employer pays the employee sick leave (at either full pay, half pay, TRR) and recoups the Illness Benefit from DSP.

The approach taken in other sectors is for employees to submit MC1 or MC2 forms directly to DSP. The personal rate of Illness Benefit is deducted at source from the individual's salary while they are on paid sick leave.

In both cases, subsequent reconciliation is required to check the amounts paid and received and to address any tax implications. Furthermore, DSP will not share information with the employer relating to Illness Benefit claims processed for their employees meaning that it is almost impossible to reconcile payments received with particular absences. This raises a considerable risk of fraud as there are potentially significant sums of money which are not accounted for.

7.6.2 Impact

This system of circular movement of funds in the Exchequer is causing a significant administrative burden across the public service. HR units and payroll are dedicating considerable resources to processing payments. A number of other stakeholders are involved D/PER Vote Sections provide information to sectors regarding funds transferred, Revenue make adjustments to account for Illness Benefit received, etc.

7.6.3 Recommendation

It is recommended a working group will be established to explore options for its resolution, which may include legislative change. Examination of this issue would involve close collaboration with the following stakeholders: Department of Social Protection, sectoral management, CS HR Policy Unit, Payroll Shared Service Centre and representatives of other payrolls and Revenue.

7.7 Kidney Donation

7.7.1 Issue

In November 2012, the Department of Health introduced a Policy on the Reimbursement of Expenses of Living Kidney Donors. Based on EU legislation,²⁸ the policy provides for reimbursement of loss of earnings and reasonable travel and accommodation costs for a period of up to 12 weeks for a living kidney donor.

The Department of Health requested that a parallel arrangement be made for public servants, whereby sick leave accrued as a result of becoming a living kidney donor is discounted.

7.7.2 Impact

At present there is no protection available to public servants who wish to donate a kidney. Introduction of paid leave would ensure parity of treatment in this regard relative to private sector and self-employed people as well as encouraging uptake of this important initiative.

7.7.3 Options

Discussions were held as to the optimal way to implement such a provision. Two options were presented; discounting of sick leave accrued during an absence due to live kidney donation or introduction of a separate scheme so that leave for this purpose would not be recorded as sick leave.

7.7.4 Recommendation

The introduction of a separate scheme providing special paid leave for up to 12 weeks on a sectoral basis is recommended. This approach is considered appropriate as elective participation in a living donor programme is distinct from suffering an illness/ injury and the separate treatment of such leave is prudent and logical. The Department of Health will liaise with each sector in relation to the introduction of a scheme to allow for a period of such a special paid leave of up to 12 weeks.

²⁸ Directive 2010/53/EU transposed as European Union (Quality and Safety of Human Organs Intended for Transplantation) Regulations 2012 (S.I. No 325 of 2012)

8. Conclusion

This report is the culmination of an in-depth review of the operation of the Public Service Sick Leave Scheme. Since its introduction in 2014, the Scheme has contributed to a reduction in the incidence and the cost of sick leave, however there are areas where operational improvements are required.

The principal aim of the review was to improve operation of the scheme from the perspective of reducing the administrative burden of the more complex elements of the Scheme and ensuring equity in application of the scheme, by standardising it across sectors, where possible.

The recommendations put forward in the report have been devised following analysis of data from across the Public Service and deliberation with a wide HR Managers, Sectoral Liaisons and Occupational Health Physicians. The 17 recommendations aim at reducing the administrative burden and increasing equity while limiting increases in costs and maintaining protection for public servants. It is management's view that the cumulative effect of these recommendations are beneficial to staff in terms of protection by broadening access to CIP and TRR and equity by delivering a uniform application of the Scheme public service-wide.

This report will form the basis of consultations with unions and staff representatives on amendments to be made to the Scheme. Following agreement on changes where possible, the Regulations will be revised and the sectoral management will amend their respective circulars and administrative provisions to reflect these changes.

9. Appendices

Appendix A: Description of the Sectors to which the Scheme applies

This appendix provides a brief description of the sectors, in order to understand the different contexts in which the Scheme operates.

Civil Service

The Civil Service employs around 35,000 Full Time Equivalents (FTEs), the majority of whom work a standard working week in an office environment. It includes policy making organisations, regulatory bodies, and operational organisations managing the direct delivery of services. The largest Civil Service organisations employ more than 6,500 officers while the smallest have only a handful of staff. Many Departments have technical and specialist staff who work in a variety of outdoor roles for example the Coast Guard (Department of Transport, Tourism and Sport) and Agricultural and Veterinary Inspectors (Department of Agriculture).

Health Sector

The Health Sector is a 24/7 365 service and operates on varying shift patterns to fulfil service commitments. The Health Service Executive (HSE) employs over 100,000 staff. These employees can be broken down into six different categories as follows: Medical/Dental, Nursing, Health & Social Care Professionals, Management/Administrative staff, General Support staff and Patient & Client Care. Further to this, the staff are split across seven different staff divisions: Acute Services, Mental Health, Primary Care, Social Care, Health & Wellbeing, Ambulance Services and Corporate & HBS. In addition to the HSE, there are almost 1,500 staff in health agencies under the remit of the Department of Health.

Education Sector

The Education Sector has a workforce of circa 100,000 staff comprising primary and second level teaching and non-teaching staff, third level academic and non-academic staff, and staff in non-commercial semi-state bodies.

First and second level teaching posts account over 60% of total education staff (circa 64,000 FTE posts). These teaching posts also include circa 6,800 resource teachers who provide additional teaching capacity to schools for individual pupils with low-incidence special needs. First and second level non-teaching staff account for circa 15,000 FTE posts, including 11,940 special needs assistants (SNAs). There are 7 non-commercial semi-state bodies in the sector, the largest of which is SOLAS, which has approximately 400 staff.

Justice Sector

An Garda Síochána (AGS) has a workforce of circa 15,000, made up of almost 13,000 Gardaí (86%) and just over 2,000 civilians (14%). AGS is organised into six regions and these are further subdivided into 28 divisions and 96 districts. Throughout these districts there are over 560 Garda Stations.

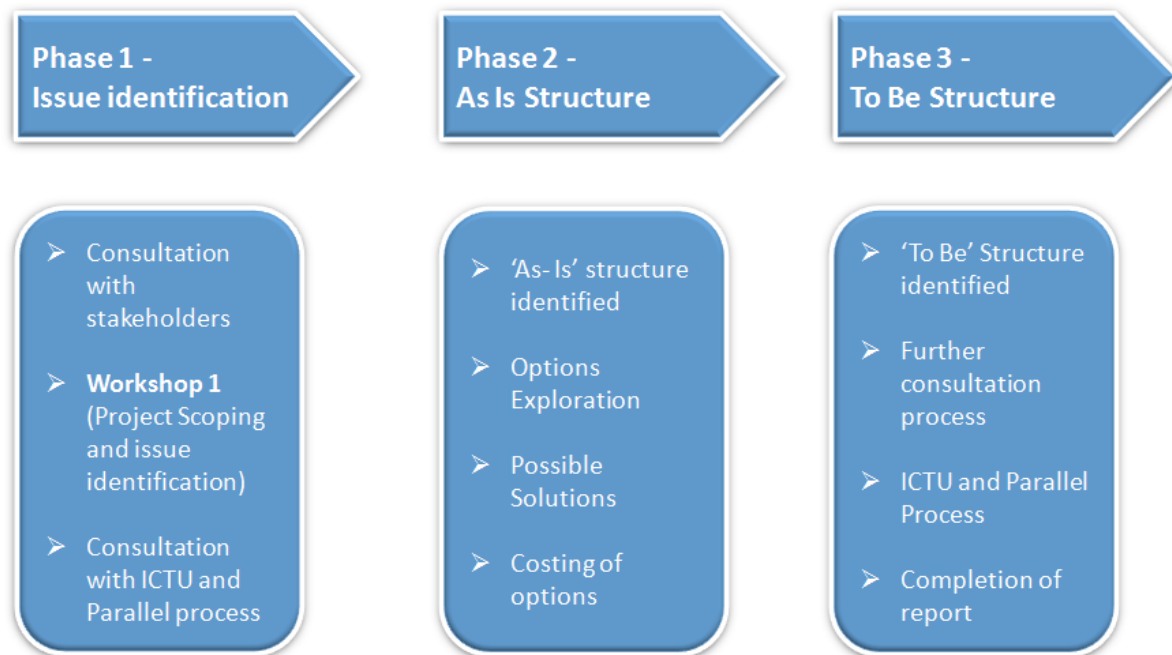
Staff are made up of diverse groups, providing various services. Gardaí provide front-line policing and support services. Both Gardaí and civilian staff are employed in a range of other functions including administrative services to facilitate the running of AGS; teaching staff at the Garda College in Templemore; technical personnel such as those working in the Garda Technical Bureau; ICT staff; musicians in the Garda Band; and staff in the procurement area.

Local Government Sector

The Local Government Sector has a workforce of c. 27,700 in 31 Local Authorities with one Local Authority in each county, four in Dublin, and two in Cork and Galway. Staff are made up of front-line, administration, professional, outdoor staff as well as some seasonal workers.

Appendix B: Process of the Review

The review was conducted over a period of a year and consisted of three phases.



Phase 1 - Identification of issues

Issues were identified initially based on queries and feedback received by DPER HR Policy from Civil Service HR Units and Sectoral Liaisons since the introduction of the Scheme. Workshops were then held with HR Managers and PeoplePoint, Sectoral Liaisons and Occupational Health Physicians in order to identify further issues. A written consultation was held with unions and staff associations to identify concerns and follow-up meetings were held where requested (see below for list).

Phase 2 – Options evaluation

The second phase of the review consisted of measuring the impact of the Scheme fully defining the current operational issues across all of the sectors of the public service (the 'As Is'). It also identified options for the resolution of these issues.

As part of this an extensive data gathering process was undertaken in order to be able to better understand the operation of elements of the Scheme and the varied practices across sectors. A data request was issued to Civil Service HR Managers and to Sectoral Liaisons on the key aspects of the operation of the Scheme. Informed by the analysis of the data received, options were developed and these were discussed and deliberated on in workshops with CS HR Managers and PeoplePoint, sectoral management and Occupational Health Physicians.

Phase 3 – Defining the To Be

The final phases of the review involved developing the 'To Be' proposals for each aspect of the Scheme

Further data was gathered from Sectoral Liaisons on the operation of TRR in their sectors, which required detailed data for average rates to be calculated. An extensive analysis and costing exercise sought to quantify the implications of the options under consideration before the preferred options were identified. Extensive consultations were held with the Occupational Health Physicians from

across the Public Service in relation to the operation of the CIP. Legal advice was also sought on a number of issues arising from the review.

Recommendations were developed from further workshops with Civil Service HR representatives and Sectoral Liaisons.

In the course of the review, written consultations, meetings, and workshops were held with the following groups:

- Sectoral Management (Health, Education, Local Government, and Justice Sectors)
- Public Service HR/Employee Relations Managers and Staff
- Occupational Health Physicians
- Unions/Staff Representative Associations
- National Disability Authority
- Technical Experts from HR Transactions, Payroll, Pensions, and IT
- Irish Government Economic and Evaluation Service
- Staff Support Services e.g. Civil Service Employee Assistance Service, Disability Liaison Officers

The following organisations submitted written submissions as part of the Review:

- Public Service Committee of Irish Congress of Trade Unions (ICTU)
- Psychiatric Nurses' Association
- Garda Representative Association
- Irish Hospital Consultants' Organisation

Appendix C: Public Service Sick Leave Statistics and Trends, 2013-2015

2013

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	% LOST DAYS ¹	AVERAGE DAYS LOST PER FTE
Public Service	32.0	338.8	370.8	4.3%	9.5

Note that:

- In previous years, the cost of sick leave was estimated on the basis that all sick leave was paid at the full rate of pay.
- In 2013, sick leave in the majority of sectors may have been paid at different rates including full pay, half pay, pension rate of pay and some absences were unpaid. 2013 costs have been adjusted to reflect the different rates of pay. Where costs have been adjusted this will be indicated sector by sector to reflect the sick leave schemes and patterns in place in each sector.
- If costs were estimated at the full rate of pay for every absence, costs of sick leave for 2013 in the Public Service would be estimated at €412.3 million.
- These figures represent over 245,000 Public Service Full-Time Equivalents. Non-Commercial State Agencies, 3rd Level Institutions and the Educational and Training Boards are not included.

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	% LOST DAYS	AVERAGE DAYS LOST PER FTE
Civil Service	4.0	42.5	46.5	4.5%	10.3

Note that:

- Five Offices, who have not previously been included in sick leave statistics, have been included for the first time for 2013 (Chief State Solicitor's Office, Law Reform Commission, National Library of Ireland, Shared Services, Ombudsman for Children's Office);
- the costs are based on the direct salary cost of sick leave based on periods spent on full pay (83.76%), half pay (7.08%), pension rate of pay (7.15%) and unpaid (2.01%);
- the % Lost Days is calculated on the basis of a Standard Working Year of 229 days (i.e. 365 - weekends - public holidays - 22 days annual leave).

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	% LOST DAYS	AVERAGE DAYS LOST PER FTE
Defence Forces	0.6	6.1	6.7	3.2%	7.4

Note the Department of Defence has advised that:

- the costs are estimated based on pay of €102 per day (i.e. average salary across all ranks);
- all sick leave taken in the Defence Forces in 2013 was taken at full pay;
- the % Lost Days is calculated on the basis of a Standard Working Year of 228 days (i.e. 365 - rest days/army holidays - public holidays - 20 days annual leave).

Education	Teachers	3.8	55.1	58.9	3.2% (P)	5.9
					3.9% (PP)	6.5
	SNAs	0.7	6.8	7.5	4.9% (P)	9.0
					3.2% (PP)	5.3

Note the Department of Education & Skills has advised that:

- P = Primary; PP = Post-Primary;
- figures provided are in respect of the 2013/2014 school year;
- the Education and Training Board (ETB) Teachers/SNAs are not included as data is not available centrally as they are paid directly by the individual ETBs;
- costs are based on average teacher salary of €56,000 per annum and average SNA salary of €30,000 per annum;
- costs are based on periods spent on full pay with relevant adjustments made for unpaid sick leave.
- there was no sick leave at half pay or pension rate of pay in the Education Sector in 2013;
- the % Lost Days is calculated on the basis of a Standard Working Year of 183 days at Primary level and 167 days at Post-Primary level (i.e. 365 - weekends – school closures).

Local Government	4.6	44.6	49.2	4.7%	10.6
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Note the Local Government Management Agency has advised that:

- the costs are estimated using the average daily earnings rate of €184 per local authority employee;
- the costs are based on periods spent on full pay (83.76%), half pay (7.08%), pension rate of pay (7.15%) and unpaid (2.01%);
- the % Lost Days is calculated on the basis of a Standard Working Year of 227 days (i.e. 365 - weekends - public holidays - 24 days annual leave).

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	% LOST DAYS	AVERAGE DAYS LOST PER FTE
Health Sector	17.0	159.5	176.5	4.7%	10.6

Note the Department of Health has advised that:

- the figures outlined above relate to the HSE and Section 38 agencies and includes staff from the Children & Families Agency who were HSE employees until 31/12/2013;
- the costs are based on average basic pay costs and do not include the costs of allowances. In previous years some non-salary costs were included which did not relate directly to sick leave, these have not been included for 2013;
- the costs are based on periods spent on full pay (83.76%), half pay (7.08%), pension rate of pay (7.15%) and unpaid (2.01%) (i.e. Civil Service % used as similar scheme in both sectors). These may be adjusted as the Health Sector is currently attempting to identify confirmation of appropriate % specific to the sector;
- the % Lost Days is calculated on the basis of a Standard Working Year of 225 days (i.e. 365 - rest days - public holidays - 26 days annual leave).

Justice	Gardaí	1.1	21.8	22.9	4.7%	10.7
	Garda Civilians	0.2	2.6	2.8	5.4%	12.4

Note the Department of Justice & Equality has advised that:

Gardaí

- the costs relate to salaries only and do not include the cost of allowances;
- the costs are calculated using the midpoint of the PPC Pay Scale for each rank;
- the costs are based on periods spent on full pay (95.94%), half pay (1.77%), pension rate of pay (1.79%) and unpaid (0.5%);
- Superintendents and Chief Superintendents had a pay reduction on 1st July 2013;
- the figures relate to ordinary illness for Gardaí only. Injuries on Duty are not included;
- sick absences for Gardaí are recorded as the number of calendar days that a member is absent and may include weekends and rest days. In order to estimate the working days lost the number of sick leave days recorded were adjusted by a factor of 5/7;
- it should be noted that Gardaí generally work a roster over 10 weeks, working 10 hours, 6 days on and resting for 4 days;

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Public Service	30.0	289.3	319.3	4.0%	8.7
Note that:					
<ul style="list-style-type: none"> - In 2014, sick leave in the majority of sectors may have been paid at different rates including full pay, half pay, pension rate of pay (PRP), Temporary Rehabilitation Remuneration (TRR) rate, and some absences were unpaid. 2014 costs have been adjusted to reflect the different rates of pay. Where costs have been adjusted this will be indicated sector by sector to reflect the sick leave schemes and patterns in place in each sector. - These figures represent over 245,000 Public Service Full-Time Equivalents. The majority of Non-Commercial State Agencies, 3rd Level Institutions and the Educational and Training Boards are not included. 					
2013	32.0m	338.8m	370.8m	4.3%	9.5
2014	30.0m	289.3m	319.3m	4.0%	8.7
Difference	↓ 2.0m	↓ 49.5m	↓ 51.5m	↓ 0.3%	↓ 0.8

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Civil Service	3.6	40.1	43.7	4.4%	10.1
Note that:					
<ul style="list-style-type: none"> - Sick Leave Statistics for 2014 include additional organisations who have been included for the first time in 2014 (Office of Government Procurement, Office of Public Works industrial grades); - The Civil Service figure includes a small number of Public Service Bodies, included in this category purely for reporting purposes (e.g. National Library of Ireland, Ordnance Survey Ireland); - The costs are based on the direct salary cost of sick leave based on periods spent on full pay (68.93%), half pay (12.30%), TRR/PRP (14.05%) and unpaid (4.72%); - The Lost Time Rate % is calculated on the basis of a Standard Working Year of 229 days (i.e. 365 - weekends - public holidays - 22 days annual leave). 					
2013	4.0m	42.5m	46.5m	4.5%	10.3
2014	3.6m	40.1m	43.7m	4.4%	10.1
Difference	↓ 0.4m	↓ 2.4m	↓ 2.8m	↓ 0.1%	↓ 0.2

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Defence Forces	0.5	5.4	5.9	2.8%	6.4
<p>Note the Department of Defence has advised that:</p> <ul style="list-style-type: none"> - The costs are estimated based on pay of €102 per day (i.e. average salary across all ranks); - All sick leave taken in the Defence Forces in 2014 was taken at full pay; - The Lost Time Rate % is calculated on the basis of a Standard Working Year of 228 days (i.e. 365 - rest days/army holidays - public holidays - 20 days annual leave). 					
2013	0.6m	6.1m	6.7m	3.2%	7.4
2014	0.5m	5.4m	5.9m	2.8%	6.4
Difference	↓ 0.1m	↓ 0.7m	↓ 0.8m	↓ 0.4%	↓ 1.0

SECTOR		SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Education	Teachers	3.7	52.7	56.4	3.2% (P)	5.8
					3.7% (PP)	6.2
	SNAs	0.7	6.7	7.4	4.9% (P)	9.0
					3.2% (PP)	5.3

Note the Department of Education & Skills has advised that:

*P = Primary; PP = Post-Primary;

- Figures provided are in respect of the 2014 calendar year. Previously this sector reported on a school year basis (i.e. 2013 figures relate to the 2013/2014 school year);
- The Public Service Sick Leave Scheme applied from 1st September 2014, before which there was no access to sick leave at half pay/PRP.
- The Education and Training Board (ETB) Teachers/SNAs are not included as data is not available centrally as they are paid directly by the individual ETBs;
- Costs are based on average teacher salary of €56,000 per annum/average SNA salary of €30,000 per annum;
- The costs are based on the direct salary cost of sick leave based on periods spent on:
 - o For Teachers: full pay (88.79%), half pay (0.35%), TRR (0.83%) and unpaid (10.03%);
 - o For SNAs: full pay (71.76%), half pay (0.58%), TRR (0.91%) and unpaid (26.84%);
- Prior to September 2014, SNAs only had access to 91 days at full pay in a rolling 12 month period which accounts for a higher rate of unpaid sick leave;
- The Lost Time Rate % is calculated on the basis of a Standard Working Year of 183 days at Primary level and 167 days at Post-Primary level (i.e. 365 - weekends – school closures).

NOTE: 2013 – 2014 Trends are not provided for the Education Sector due to the change between reporting periods between 2013 and 2014 as outlined above.

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Local Government	4.4	35.5	39.9	4.3%	9.7

Note the Local Government Management Agency has advised that:

- The costs are estimated using the average daily earnings rate of €184 per local authority employee;
- The costs are based on the direct salary cost of sick leave based on periods spent on full pay (79.57%), half pay (3.86%), TRR/PRP (4.02%) and unpaid (12.55%);
- The Lost Time Rate % is calculated on the basis of a Standard Working Year of 227 days (i.e. 365 - weekends - public holidays - 24 days annual leave).

2013	4.6m	44.6m	49.2m	4.7%	10.6
2014	4.4m	35.5m	39.9m	4.3%	9.7
Difference	↓ 0.2m	↓ 9.1m	↓ 9.3m	↓ 0.4%	↓ 0.9

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Health Sector	16.1	134.2	150.3	4.3%	9.6

Note the Department of Health has advised that:

- The figures outlined above relate to the HSE and Section 38 agencies;
- The costs are based on average basic pay costs;
- The costs are based on periods spent on full pay (65.35%) and half pay (20.6%) and TRR/PRP (14.05%*) and excluding unpaid leave. The Civil Service % for TRR/PRP was used as it could not be identified in the Health Sector.
- The Lost Time Rate % is calculated on the basis of a Standard Working Year of 225 days (i.e. 365 - rest days - public holidays - 26 days annual leave).

2013	17.0m	159.5m	176.5m	4.7%	10.6
2014	16.1m	134.2m	150.3m	4.3%	9.6
Difference	↓ 0.9m	↓ 25.3m	↓ 26.2m	↓ 0.4%	↓ 1.0

SECTOR		SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Justice	Gardaí	0.8	12.4	13.2	3.4%	7.7

Note the Department of Justice & Equality has advised that:

Gardaí

- The costs relate to salaries only and do not include the cost of allowances;
- The costs are calculated using the midpoint of the PPC Pay Scale for each rank;
- The costs are based on the direct salary cost of sick leave based on periods spent on full pay (68.93%), half pay (12.30%), TRR/PRP (14.05%) and unpaid (4.72%) – (i.e. Civil Service % used as same scheme in both sectors).
- The figures relate to ordinary illness for Gardaí only. Injuries on Duty are not included;
- Sick absences for Gardaí are recorded as the number of calendar days that a member is absent and may include weekends and rest days. In order to estimate the working days lost, the number of sick leave days recorded were adjusted by a factor of 5/7;
- It should be noted that Gardaí generally work a roster over 10 weeks, working 10 hours, 6 days on and resting for 4 days;
- The Lost Time Rate % is calculated on the basis of a Standard Working Year of 229 days (i.e. 365 - rest days - public holidays – annual leave);

2013		1.1m	21.8m	22.9m	4.7%	10.7
2014		0.8m	12.4m	13.2m	3.4%	7.7
Difference		↓ 0.3m	↓ 9.4m	↓ 9.7m	↓ 1.3%	↓ 3.0
Justice	Garda Civilians	0.2	2.3	2.5	5.3%	12.1

Garda Civilians

- Figures for the Garda Civilians exclude part-time cleaners and service attendants;
- The costs are based on the direct salary cost of sick leave based on periods spent on full pay (68.93%), half pay (12.30%), TRR/PRP (14.05%) and unpaid (4.72%);
- The Lost Time Rate % is calculated on the basis of a Standard Working Year of 229 days (i.e. 365 - weekends - public holidays - 22 days annual leave).

2013		0.2m	2.6m	2.8m	5.4%	12.4
2014		0.2m	2.3m	2.5m	5.3%	12.1
Difference		→ 0.0m	↓ 0.3m	↓ 0.3m	↓ 0.1%	↓ 0.3

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE % ¹	AVERAGE DAYS LOST PER FTE
Public Service	30.5	287.4	317.9	3.9%	8.5
Note that:					
<ul style="list-style-type: none"> - In 2015, sick leave in the majority of sectors may have been paid at different rates including full pay, half pay, pension rate of pay (PRP), Temporary Rehabilitation Remuneration (TRR) rate, and some absences were unpaid. 2015 costs have been adjusted to reflect the different rates of pay. Where costs have been adjusted this will be indicated sector by sector to reflect the sick leave schemes and patterns in place in each sector. - These figures represent over 250,000 Public Service Full-Time Equivalents. The majority of Non-Commercial State Agencies, 3rd Level Institutions and the Educational and Training Boards are not included. 					
2013	32.0m	338.8m	370.8m	4.3%	9.5
2014	30.0m	289.3m	319.3m	4.0%	8.7
2015	30.5m	287.4m	317.9m	3.9%	8.5
Difference 2014-2015	↑ 0.5m	↓ 1.9m	↓ 1.4m	↓ 0.1%	↓ 0.2
Difference from 2013 to 2015	Cumulative cost difference since 2013			Absenteeism rate difference since 2013	
	↓ 3.5m	↓ 100.9m	↓ 104.4m	↓ 0.4%	↓ 1.0

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Civil Service	3.8	35.1	38.9	4.4%	10.2
Note that:					
<ul style="list-style-type: none"> - Sick Leave Statistics for 2015 include organisations who have been included for the first time (Irish Human Rights and Equality Commission. Road and Safety Authority); - The Civil Service figures include a small number of Public Service Bodies for reporting purposes (e.g. National Library of Ireland, Ordnance Survey Ireland); - The costs are based on the direct salary cost of sick leave based on periods spent on full pay (72.26%), half pay (11.35%), TRR/PRP (13.96%) and unpaid (2.43%); - The Lost Time Rate % is calculated on the basis of a Standard Working Year of 229 days (i.e. 365 - weekends - public holidays - 22 days annual leave). 					
2013	4.0m	42.5m	46.5m	4.5%	10.3
2014	3.6m	40.1m	43.7m	4.4%	10.1
2015	3.8m	35.1m	38.9m	4.4%	10.2
Difference 2014-2015	↑ 0.2m	↓ 5.0m	↓ 4.8m	→ 0.0%	↑ 0.1
Difference from 2013 to 2015	Cumulative cost difference since 2013			Absenteeism rate difference since 2013	
	↓ 0.6m	↓ 9.8m	↓ 10.4m	↓ 0.1%	↓ 0.1

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Local Government	4.3	35.0	39.3	4.3%	9.7
Note the Local Government Management Agency has advised that:					
<ul style="list-style-type: none"> - The costs are estimated using the average daily earnings rate of €184 per local authority employee; - The costs are based on the direct salary cost of sick leave based on periods spent on full pay (75.27%), half pay (6.07%), TRR/PRP (9.84%) and unpaid (8.82%); - The Lost Time Rate % is calculated on the basis of a Standard Working Year of 227 days (i.e. 365 - weekends - public holidays - 24 days annual leave). 					
2013	4.6m	44.6m	49.2m	4.7%	10.6
2014	4.4m	35.5m	39.9m	4.3%	9.7
2015	4.3m	35.0m	39.3m	4.3%	9.7
Difference 2014-2015	↓ 0.1m	↓ 0.5m	↓ 0.6m	→ 0.0%	→ 0.0
Difference from 2013 to 2015	Cumulative cost difference since 2013			Absenteeism rate difference since 2013	
	↓ 0.5m	↓ 18.7m	↓ 19.2m	↓ 0.4%	↓ 0.9

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Defence Forces	0.5	6.0	6.5	3.2%	7.4
Note the Department of Defence has advised that:					
<ul style="list-style-type: none"> - The costs are estimated based on the average pay per rank of the individual availing of sick leave. For 2015 the weighted average cost per sick leave day was €97 per day; - Sick leave related pay deductions totalled €35,500 in 2015; - The Lost Time Rate % is calculated on the basis of a Standard Working Year of 228 days (i.e. 365 - rest days - army holidays - public holidays - 20 days annual leave); - The Defence Forces are not subject to the terms of Public Service Sick Leave Scheme. 					
2013	0.6m	6.1m	6.7m	3.2%	7.4
2014	0.5m	5.4m	5.9m	2.8%	6.4
2015	0.5m	6.0m	6.5m	3.2%	7.4
Difference 2014-2015	→ 0.0m	↑ 0.6m	↑ 0.6m	↑ 0.4%	↑ 1.0
Difference from 2013 to 2015	Cumulative cost difference since 2013			Absenteeism rate difference since 2013	
	↓ 0.2m	↓ 0.8m	↓ 1.0m	→ 0.0%	→ 0.0

SECTOR	SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Health Sector	16.4	145.4	161.8	4.2%	9.5
<p>Note the Department of Health has advised that:</p> <ul style="list-style-type: none"> - The figures outlined above relate to the HSE and Section 38 agencies; - The costs are based on average basic pay costs; - The costs are based on periods spent on full pay (65.35%) and half pay (20.6%) and TRR/PRP (6.98%) and exclude unpaid leave. - The Lost Time Rate % is calculated on the basis of a Standard Working Year of 225 days (i.e. 365 - rest days - public holidays - 26 days annual leave). 					
2013	17.0m	159.5m	176.5m	4.7%	10.6
2014	16.1m	134.2m	150.3m	4.3%	9.6
2015	16.4m	145.4m	161.8m	4.2%	9.5
Difference 2014-2015	↑ 0.3m	↑ 11.2m	↑ 11.5m	↓ 0.1%	↓ 0.1
Difference from 2013 to 2015	Cumulative cost difference since 2013			Absenteeism rate difference since 2013	
	↓ 1.5m	↓ 39.6m	↓ 40.9m	↓ 0.5%	↓ 1.1

SECTOR		SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Education	Teachers	3.8	45.3	49.1	3.0% (P)	5.5
					3.2% (PP)	5.3
	SNAs	0.8	7.7	8.5	4.8% (P)	8.8
					2.9% (PP)	4.9

Note the Department of Education & Skills has advised that:

*P = Primary; PP = Post-Primary;

- The Public Service Sick Leave Scheme applied from 1st September 2014, before which there was no access to sick leave at half pay/PRP.
- The Education and Training Board (ETB) Teachers/SNAs are not included as data is not available centrally as they are paid directly by the individual ETBs;
- The workforce reported on in the Education Sector has changed since 2014 with the number of teachers and SNAs increasing by almost 5% and 10% respectively. This has an impact on the costs reported on.
- Costs are based on average teacher salary of €56,000 per annum/average SNA salary of €30,000 per annum;
- The costs are based on the direct salary cost of sick leave based on periods spent on:
 - o For Teachers: full pay (78.92%), half pay (3.72%), TRR (6.11%) and unpaid (11.25%);
 - o For SNAs: full pay (71.99%), half pay (5.92%), TRR (9.27%) and unpaid (12.82%);
- Prior to September 2014, SNAs only had access to 91 days at full pay in a rolling 12 month period;
- "The Lost Time Rate % is calculated on the basis of 183 tuition days at Primary level and 167 tuition days at Post-Primary level".

Teachers	2014	3.7m	52.7m	56.4m	3.2% (P)	5.8
					3.7% (PP)	6.2
	2015	3.8m	45.3m	49.1m	3.0% (P)	5.5
					3.2% (PP)	5.3
Difference 2014-2015	Teachers	↑ 0.1m	↓ 7.4m	↓ 7.3m	↓ 0.2% (P)	↓ 0.3
					↓ 0.5% (PP)	↓ 0.9

SNAs	2014	0.7m	6.7m	7.4m	4.9% (P)	9.0
					3.2% (PP)	5.3
	2015	0.8m	7.7m	8.5m	4.8% (P)	8.8
					2.9% (PP)	4.9
Difference 2014-2015	SNAs	↑ 0.1m	↑ 1.0m	↑ 1.1m	↓ 0.1% (P)	↓ 0.2
					↓ 0.3% (PP)	↓ 0.4

NOTE: 2013 Statistics and 2013 – 2014/5 Trends are not provided for the Education Sector due to the change between reporting periods between 2013 and 2014. Previously figures for 2013 would relate to the 2013/2014 school year whereas since 2014 statistics the Education Sector reports on a calendar year basis.

SECTOR		SELF-CERTIFIED COST (€M)	CERTIFIED COST (€M)	TOTAL COST (€M)	LOST TIME RATE %	AVERAGE DAYS LOST PER FTE
Justice	Gardaí	0.8	10.2	11.0	2.8%	6.3

Note the Department of Justice & Equality has advised that:

Gardaí

- The costs relate to salaries only and do not include the cost of allowances;
- The costs are calculated using the midpoint of the PPC Pay Scale for each rank;
- The costs are based on periods spent on full pay (72.26%), half pay (11.35%), TRR/PRP (13.96%) and unpaid (2.43%) – (i.e. Civil Service % used as the same scheme applies in both sectors);
- The figures relate to ordinary illness for Gardaí only. Injuries on Duty are not included;
- Sick absences for Gardaí are recorded as the number of calendar days that a member is absent and may include weekends and rest days. In order to estimate the working days lost, the number of sick leave days recorded were adjusted by a factor of 5/7;
- It should be noted that Gardaí generally work a roster over 10 weeks, working 10 hours, 6 days on and 4 rest days;
- The Lost Time Rate % is calculated on the basis of a Standard Working Year of 229 days (i.e. 365 - rest days - public holidays – annual leave);

2013	1.1m	21.8m	22.9m	4.7%	10.7
2014	0.8m	12.4m	13.2m	3.4%	7.7
2015	0.8m	10.2m	11.0m	2.8%	6.3
Difference 2014-2015	➔ 0.0m	⬇ 2.2m	⬇ 2.2m	⬇ 0.6%	⬇ 1.4

Difference from 2013 to 2015	Cumulative cost difference since 2013			Absenteeism rate difference since 2013	
	⬇ 0.6m	⬇ 21.0m	⬇ 21.6m	⬇ 1.9%	⬇ 4.4

Justice	Garda Civilians	0.2	2.5	2.7	5.3%	12.1
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Garda Civilians

- Figures for the Garda Civilians exclude part-time cleaners and service attendants;
- The costs are based on the direct salary cost of sick leave based on periods spent on full pay (72.26%), half pay (11.35%), TRR/PRP (13.96%) and unpaid (2.43%);
- The Lost Time Rate % is calculated on the basis of a Standard Working Year of 229 days (i.e. 365 - weekends - public holidays - 22 days annual leave).

2013	0.2m	2.6m	2.8m	5.4%	12.4
2014	0.2m	2.3m	2.5m	5.3%	12.1
2015	0.2m	2.5m	2.7m	5.3%	12.1
Difference 2014-2015	➔ 0.0m	⬆ 0.2m	⬆ 0.2m	➔ 0.0%	➔ 0.0

Difference from 2013 to 2015	Cumulative cost difference since 2013			Absenteeism rate difference since 2013	
	➔ 0.0m	⬇ 0.4m	⬇ 0.4m	⬇ 0.1%	⬇ 0.3

Appendix D: Methodology for the of cost of TRR in 2014 Sick Leave Statistics

- The days of sick leave and individual pay rate changes were in examined for all sick absences in 2014 in the four largest Civil Service departments (representing approximately 50% of the Civil Service) were examined.²⁹
- This analysis gave an estimate of the number of days at which TRR is likely to have been paid.
- The number of days represented 13% of all days taken due to sickness in these Departments.
- This percentage figure was used across the public service as the percentage of sick days paid at TRR.
- An average rate of pay was used based on an assumed rate of 33% of pay. This rate was used to cost the days taken at TRR across all sectors.
- The result of this exercise gave a total cost of TRR at €16.8m.
- 41% of Civil Service departments/ offices pay TRR for all absences. Across the public service as a whole, this policy is also followed by 41%. See Appendix L for a breakdown of practice in each sector.

²⁹ Assumptions made on rates of pay of absences which began before January 2014 or ended after December 2014.

Appendix E: FTEs administering TRR in each sector

Table 8: Number of FTEs administering TRR in each sector

Sector	FTEs
Civil Service	40
Health Sector	48.9
Education	5.5
Justice	1.7
Local Government	43.9
PUBLIC SERVICE	140

Appendix F: Example of TRR calculation

Step	Description	Notes	Case Study										
1	Establish eligibility	Must have 5 years' service (calendar years)	Calendar service: 14.1 years										
2	Establish age	Maximum retirement age 65 Minimum retirement age 60	Age 55										
3	Establish length of service	-Maximum service for the purpose of pension calculation is 40 years -Length of service is a multiplier in final calculation -Length of service determines added years	FTE status – 100% Years' service – 6 years										
4	Award added years and calculate reckonable service	<table border="0"> <tr> <td>Length of service</td> <td>Added years</td> </tr> <tr> <td>Less than 5 years' service (adjusted pro rata for worksharers)</td> <td>0</td> </tr> <tr> <td>5 -10 years</td> <td>Equivalent to service to date</td> </tr> <tr> <td>10 - 20 years</td> <td>The most favourable of: -Difference of reckonable service and 20 years (to maximum retirement age) -Six and two thirds years (to minimum retirement age)</td> </tr> <tr> <td>20 + years</td> <td>Six and two thirds years (to minimum retirement age)</td> </tr> </table>	Length of service	Added years	Less than 5 years' service (adjusted pro rata for worksharers)	0	5 -10 years	Equivalent to service to date	10 - 20 years	The most favourable of: -Difference of reckonable service and 20 years (to maximum retirement age) -Six and two thirds years (to minimum retirement age)	20 + years	Six and two thirds years (to minimum retirement age)	Added years: 20 -14.1 = 5.9 (potential service to 65 = 10 years) Reckonable service:
Length of service	Added years												
Less than 5 years' service (adjusted pro rata for worksharers)	0												
5 -10 years	Equivalent to service to date												
10 - 20 years	The most favourable of: -Difference of reckonable service and 20 years (to maximum retirement age) -Six and two thirds years (to minimum retirement age)												
20 + years	Six and two thirds years (to minimum retirement age)												
5	Establish salary	Confirm with payroll Salary impacts on pension calculation for Class A PRSI employees	€62,161										
6	Ascertain PRSI Class and perform pension calculation	Class A PRSI: First €40,056.84 x 1/200 x service plus balance of salary x 1/80 x service + added years Class D PRSI: Salary x 1/80 x service + added years	Class A PRSI: First €40,056.84 x 1/200 x service plus balance of salary x 1/80 x service + added years										
7	Add illness benefit	(For Class A PRSI) Liaison with DSP to establish relevant rate of illness benefit	Illness benefit at personal rate €188 x 52.14 =€9,802.32										
8	Calculate total TRR	Add the above and arrange payment with pay roll	€17,177 per annum (32% of salary)										

Appendix G: Comparison of TRR for Pre and Post 1995 staff

PRSI Class is one of the variables which affects the rate of TRR payable alongside length of service, age, salary and FTE status.

The examples below compare two civil servants, who have identical service records, age, grade etc. The difference between them is that Joe started working before 6th April 1995 and Josephine began afterwards.

Joe started working on 5th April 1995 and as a result pays Class D PRSI. His pay scale reflects this, and the pension calculation methodology – and therefore TRR rate accounts for this. Joe is not eligible for Social Welfare payments.

If Joe is absent on TRR his annual rate of pay is €25,408, or 33% of his salary.

Joe (pre 6 April 1995)	
Sector	Civil Service
Entry date	5 th April 1995
PRSI Class	Class D
Grade	Assistant Principal (AP)
FTE	100%
Salary	€72,546 (highest point on AP scale)
Length of service	20 years
Age	43
Annual TRR rate	€25,408
TRR as % of salary	33%



Josephine began working in the Civil Service around the same time as Joe but as she started after 6th April 1995 she pays Class A PRSI. Her pay scale reflects the fact that she pays higher contributions. Her pension calculation, and therefore the TRR calculation also reflects this difference.

If Josephine is absent on TRR, her annual rate of pay is €29,628 (€4,220 higher than Joe) or 35% of her salary.

Josephine (post 6 April 1995)	
Sector	Civil Service
Entry date	10 th April 1995
PRSI Class	Class A
Grade	Assistant Principal (AP)
FTE	100%
Salary	€79,552 (highest point on AP scale) ¹
Length of service	20 years
Age	43
Annual TRR rate	€29,628
TRR as % of salary	35%



¹NOTE: While the Civil Service and Justice Sector have different pay scales in place for staff paying Class A PRSI, this is not the case in the majority of the Public Service (Health, Education and Local Government Sectors).

Appendix H: Class A and Non Class A staff in each sector

Table 9: Class A and non-Class A PRSI staff as % of workforce in the sectors

Sector	Pre 95	Post 95
Civil Service	46%	54%
Health Sector	11%	89%
Education	n/a	n/a
Justice	25%	75%
Local Government	15%	85%
PUBLIC SERVICE*	22%	78%

*Excludes the Education Sector

Appendix I: Methodology for calculation of average rate of TRR

Civil Service

The analysis is based on an anonymised extract from the HR system (HRMS) extract representing 65% of the workforce at a point in time (December 2014). It contained all information required to calculate each individual's TRR rate, should they have gone absent at that time (length of service, salary, age, FTE status, PRSI class).

The calculation is based on the ill-health retirement methodology (different for pre and post 95 officers). 'Added years' based on years of service are then awarded, as well as Illness Benefit at personal rate for post 95 staff.³⁰ The Civil Service has a significantly higher proportion of pre-95 staff to other sectors and therefore should not be considered representative of the public service (see Appendix C for a breakdown across the sectors).

Health Sector

An anonymised data extract for a number of HSE regions was provided (representing 36% of the workforce and considered to be representative of the HSE as a whole)³¹. This included all relevant data required to calculate each individual's potential rate of TRR at a point in time (December 2015).

The calculation is based on ill-health retirement methodology (allowing for difference in pre and post95 calculation), added years based on years of service, plus Illness Benefit at individual rate for post 95 staff. While the TRR rate for pre 95 staff varied little (almost uniformly between 40-50% of salary), the variation was greater for post-95 staff (0-200%).

Justice Sector

An anonymised data extract representing 100% of workforce was provided. It included date of birth, service commencement date, rank and increment point for each officer. Information on salary scales was provided separately and does not relate to individuals. As allowances rates vary depending on a multitude of factors, an assumed rate of 15% of pay was added to assumed salary based on pay scale increment point. An estimated TRR rate was then calculated for each individual.

Local Government Sector

As data is not held centrally in the Local Government sector it was not possible to provide a HR system extract. Therefore data was provided against the following categories – age, grade, pre/post 1995, and salary range, on a sample representing represents 11% of the workforce. This did not allow for individuals' TRR rates to be calculated as the calculation depends on the interaction of all of the variables; service length, salary, age, PRSI category, salary. As a result the findings in this sector are not robust and are not been presented in this paper.

Education

Calculation of average TRR rates for the Education sectors is based on detailed anonymised data on staff who availed of TRR in 2015 (over 500 staff, representing 0.6% of the sector). This included breakdowns on role, salary, gender, length of service, PRSI class and TRR rate. As this methodology

³⁰ Assumption made that staff reach the required threshold to receive the full personal rate – see Appendix F.

³¹ Based on staff in the following HSE regions: Dublin, North East, Midlands, Mid-West, West and North West

deviates from the methodology used in the Civil Service, Justice and Health Sectors the output was not directly comparable to the other sectors.

Notes

- The average TRR rate for the public service has been weighted according relative size of each sector.
- Calculations in the Health Sector and Civil Service are based on all employees being absent on TRR (e.g. doesn't account for potential that certain categories are more likely than others to avail of TRR – see section below). Education Sector data is based on those who availed of TRR in 2015 (first full year of TRR since the introduction of the Scheme).
- All calculations are based on FTE salary (TRR is lower for worksharers but represents a higher % of their salary, especially for post 95 staff who are in receipt of Illness Benefit at the full personal rate (see Appendix K).
- Post 95 percentages are based on an assumed rate of Illness Benefit equal to the personal rate (see Appendix J for further details).

Appendix J: Methodology for the calculation of the cost impact of TRR at various rates of pay

The impact of the cost of TRR at various rates of pay (33%, 40% and 50%) is based on percentages of FTE salary, e.g. the rate of pay received by each person adjusted to reflect FTE status.

The analysis is based on data from the Civil Service, Justice and Health Sectors. The sample sizes and their proportion relative to their sector are set out in Table 10. The data provided by the sectors was taken at a fixed point in time, which differed from sector to sector (December 2014 in the Civil Service; December 2015 in the Justice Sector and the Education Sectors). Measurements of cost increases are not wholly comparable as a result.

Table 10: Cost impact of TRR sample sizes

Sector	Sample Headcount	Proportion of sector
Civil Service	21,400	65%
Justice Sector	12,518	100%
Health Sector	41,763	36%

- The baseline cost of TRR was established based on the sum of the actual rate of TRR for all staff in each of these three sectors.
- The cost of TRR at 33%, 40% and 50% of pay respectively was established for each individual to arrive at the total cost.
- The difference in cost was established at an aggregate level by subtracting the total cost at 33%, 40% and 50% of pay respectively from the baseline cost. The difference is presented as a proportion of the baseline cost.

Costs are calculated based on a scenario where the entire workforce is on TRR and does not take into account the potential that certain categories of people may be more likely to avail of TRR and therefore impact on the changes in rate, e.g. if older people were more likely to avail of TRR the change in rate would have an impact on those who are likely to have longer service and therefore be closer to 50% of pay. Although comparable data was not available in the other sectors, analysis of staff availing of TRR in the Civil Service suggests that isn't a high correlation between age (and hence length of service) and likelihood of availing of TRR (see Appendix L for further detail).

Appendix K: Illness Benefit

Public servants who pay Class A PRSI (generally recruited after 6 April 1995) may avail of Illness Benefit from the Department of Social Protection if they cannot work due to illness. To qualify the following criteria must be met:

- aged under 66
- covered by the appropriate class of social insurance (PRSI)
- satisfy the PRSI conditions

No payment is made for the first 6 days of illness which are known as waiting days. (Note that this was extended from 3 to 6 days from 6 January 2014.)

Social insurance (PRSI) contributions

To qualify for payment of Illness Benefit the person must meet either of the following two requirements:

1. Have at least 104 weeks PRSI contributions paid since they first started work
2. Have either (a) 39 weeks of PRSI contributions paid or credited in the relevant tax year, of which 13 must be paid contributions.
or (b) 26 weeks of PRSI contributions paid in the relevant tax year, and 26 weeks of PRSI contributions paid in the tax year immediately before the relevant tax year.

How long is Illness Benefit paid?

Illness Benefit is paid for a maximum of:

- 2 years (requirement for at least 260 weeks' reckonable social insurance contributions)
- 1 year (requirement for 104 -259 weeks' reckonable social insurance contributions)

A minimum of 13 reckonable PRSI contributions are required in order to requalify following a return to work. (All other qualifying conditions must also be satisfied.)

If Illness Benefit is received for 1 year or less a person may requalify with fewer than 13 contributions, if additional contributions bring their total PRSI contributions paid up to 260.

Rates

Illness Benefit rates are graduated according to *average weekly earnings* in the relevant tax year. Average weekly earnings are calculated by dividing the total reckonable gross earnings (without deductions) in the relevant tax year by the actual number of weeks worked in that year.

Spouses, partners and children

Illness Benefit may be increased for cohabiting adult or child dependants if certain conditions are met. See Table 11 for the rates applicable.

Table 11: Rates of payment of TRR³² (rates of claims that started in 2009 or after)

Average gross weekly earnings of claimant	Personal rate, €	Qualified adult rate ³³ , €	Child Dependent rate, € (means tested) ³⁴
€300 or more	€188	€124.80	€14.90 / €0
€220 - €299.99	€147.30	€80.90	€29.80
€150 - €219.99	€121.40	€80.90	€29.80
less than €150	€84.50	€80.90	€29.80

³² Source http://www.welfare.ie/en/Pages/345_Illness-Benefit.aspx and http://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/disability_and_illness/disability_benefit.html

³³ To qualify average gross weekly earnings of qualified adult must be under €310 weekly

³⁴ Qualified child rate of €14.90 applies if claimant is earning between €310 and €400 per week. Earners of over €400 are not eligible to receive additional payments for child dependants.

Appendix L: Who avails of TRR? - Civil Service Data

In the Civil Service, gender and (to a lesser extent) grade appear to be correlated with higher sick leave. While representing 61% of the Civil Service, women are four times more likely than men to avail of TRR (although this may also be correlated with grade). Officers at Clerical Officer level are significantly more likely to avail of TRR while staff at Assistant Secretary, Assistant Principal, Principal Officer and Administrative Officer are much less likely to avail of TRR.

Surprisingly, age does not appear to be an important driver of sick leave absences. The 51+ age group is only slightly more likely to avail of TRR than other groups. TRR absences are close to being proportionately distributed across age groups.

Note:

- Analysis based on sample of staff who are on HRMS (65% of workforce)
- TRR cohort are staff with more than 183 days' sick leave on their 4 year record (possible breaks in service not considered)
- Data from January – December 2014

Grade

Figure 10: TRR by grade and proportion of Civil Service

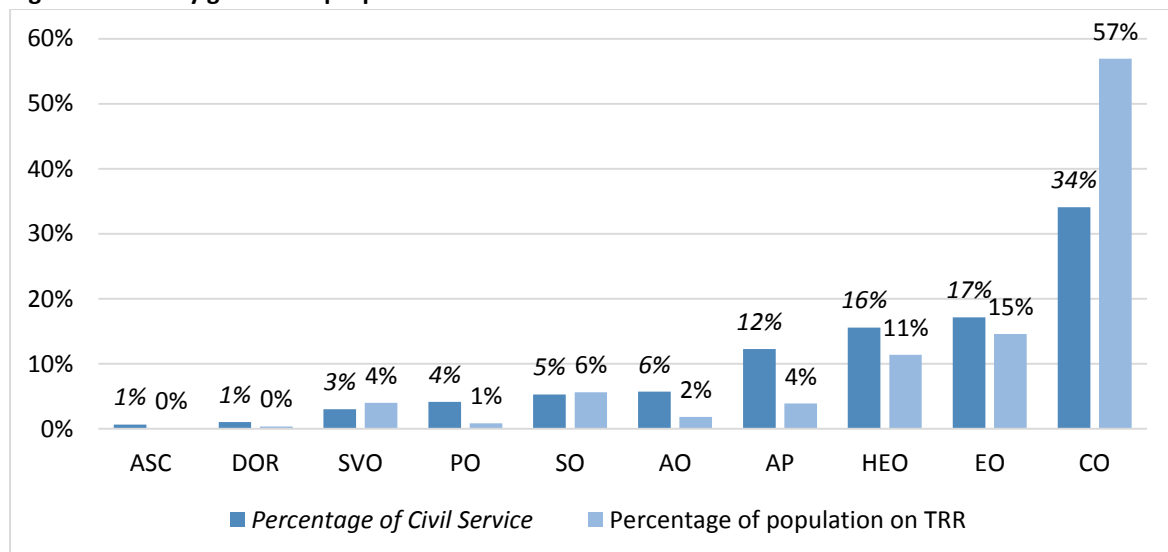
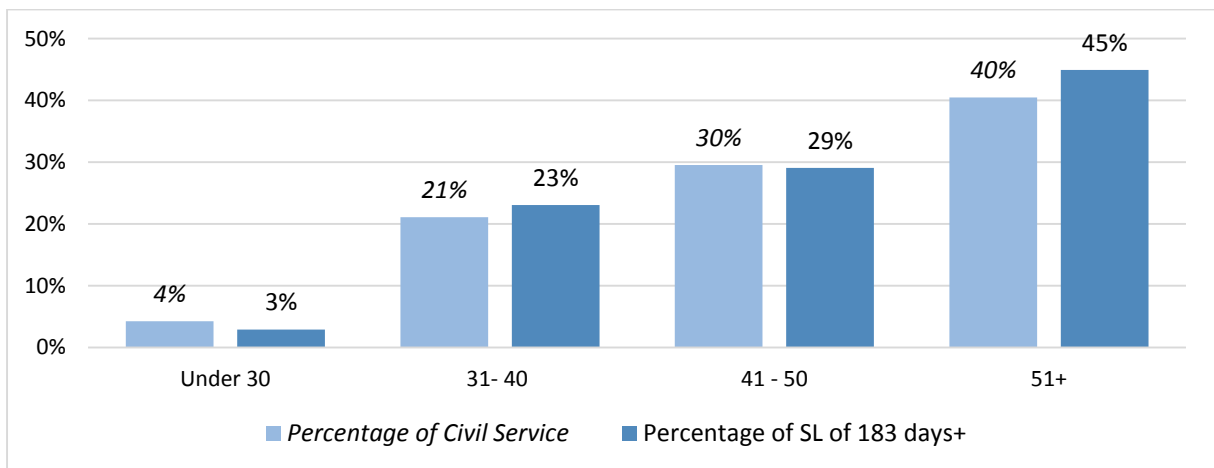


Table 12: TRR by Grade in the Civil Service

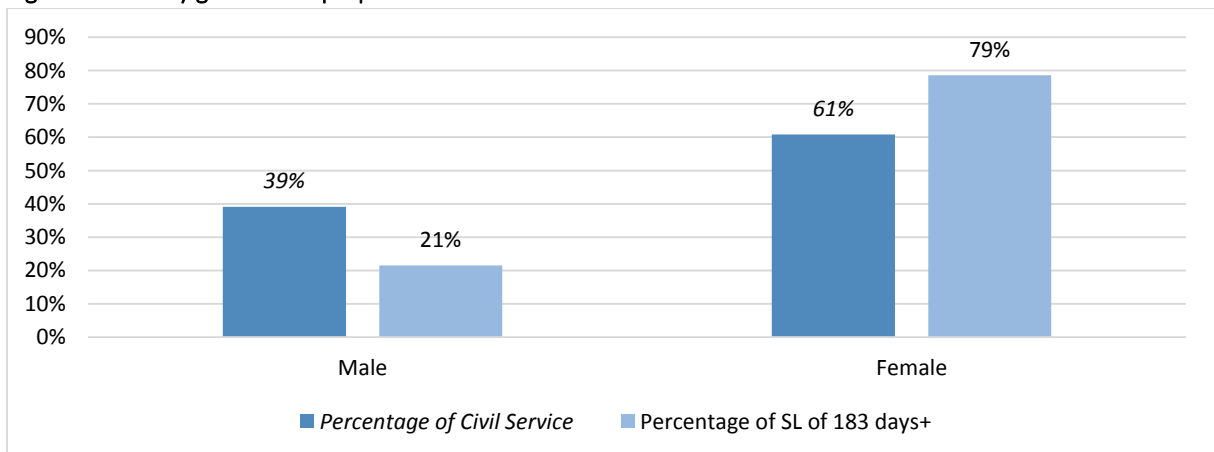
Grade code	Grade name	Proportion in Civil Service %	Proportion of those on TRR ³⁵
ASC	Assistant Secretary	1%	0%
DOR	Other (e.g. cleaner)	1%	0%
SVO	Services Officer	3%	4%
PO	Principal Officer	4%	1%
SO	Staff Officer	5%	6%
AO	Administrative Officer	6%	2%
AP	Assistant Principal	12%	4%
HEO	Higher Executive Officer	16%	11%
EO	Executive Officer	17%	15%
CO	Clerical Officer	34%	57%

Figure 11: TRR by age and proportion of Civil Service



Gender

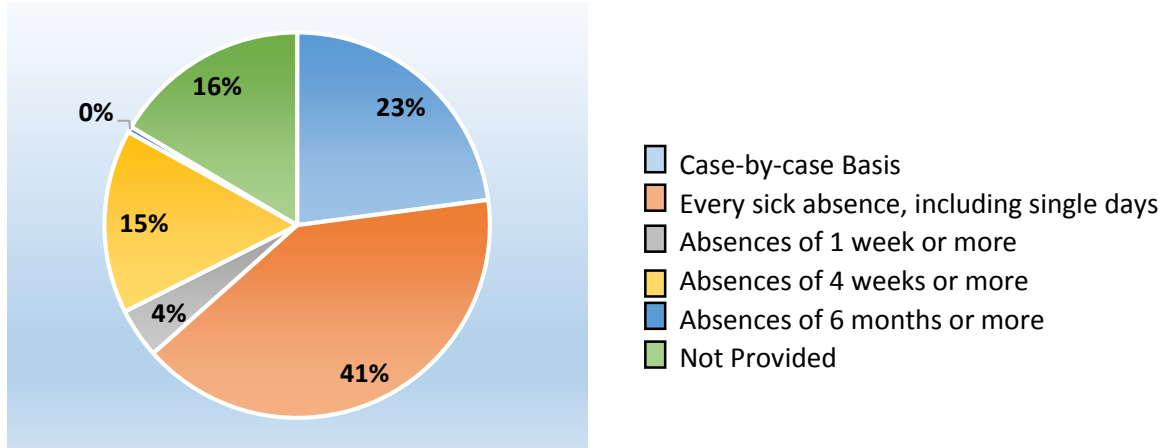
Figure 12: TRR by gender and proportion of Civil Service



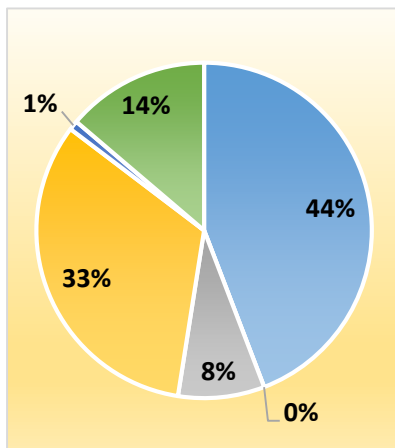
³⁵ Officers with 183+ days of sick leave on their 4 year record, assumed that TRR is granted.

Appendix M: Practice of payment of TRR in Public Service and in each sector

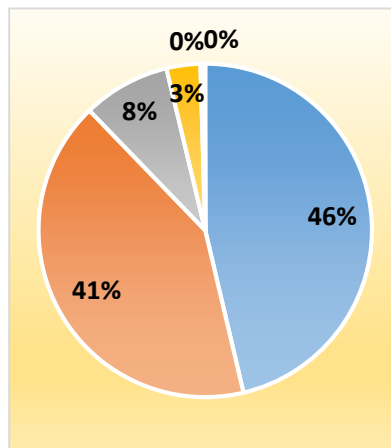
Public Service



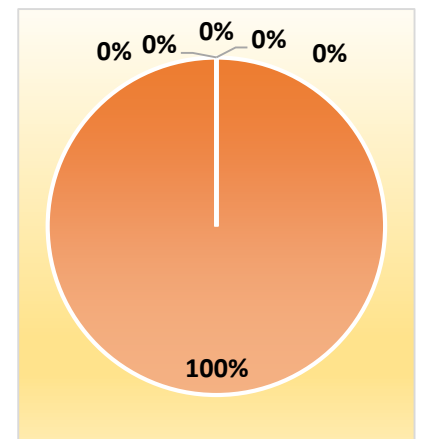
Health Sector



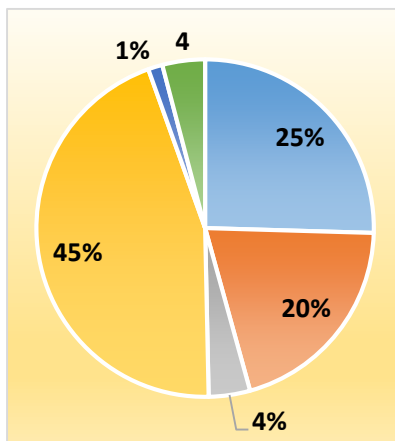
Civil Service



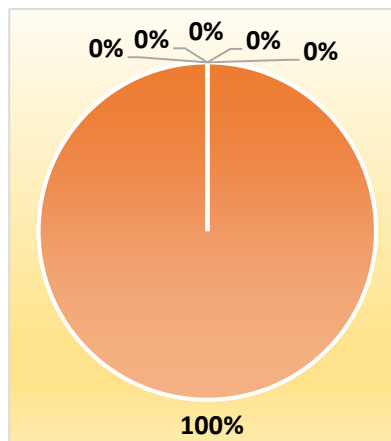
Education Sector



Local Government



Justice Sector



Appendix N: Leaves which extend the look back period (Civil Service)

Any type of special leave that fulfils **all** of the following criteria will extend the look back period for the purposes of sick leave limits:

1. Unpaid;
2. Breaks service (i.e. does not count for superannuation purposes);
3. Reduces annual leave entitlement.

These special leaves include:

- Career break
- Shorter working year
- Carers leave (only after 13 weeks in line with statutory requirements)
- Additional study leave
- Unpaid domestic leave
- EU & International leave
- Accompany spouse abroad leave
- Charitable work
- Local Authority leave
- Other situations (as per Circular 2/76)

The following types of special leaves will not affect the look back period:

- Maternity Leave
- Additional maternity leave
- Adoptive
- Additional adoptive leave
- Parental leave
- Carer's leave (under 13 weeks in line with statutory requirements)
- Force Majeure
- Bereavement
- Marriage/Civil Partnership
- Paid Family Illness
- Paternity
- Study and Examination
- Sporting purposes
- Jury Service
- Attendance in Court as Witness
- Civil Defence instruction
- Reserve Defence Force Training
- Voluntary Search and Rescue
- Union leave

Appendix O: Corrigendum

These changes were made on 14.09.2016 due to an error in the calculation of average TRR for Class A in the Justice Sector.

Page number	Change																																			
P 6	<p>Paragraph 2. Introduce Rate of 30% of Pay</p> <p>First Bullet Point</p> <p><i>Replace 34% with 35%</i></p>																																			
P 16	<p>4.2.1 Key Impacts of the current calculation of rates of TRR</p> <p>Equity</p> <p><i>Replace 34% with 35%</i></p>																																			
P 17	<p><i>Replace Table 2 with the following table</i></p> <table border="1"> <thead> <tr> <th>Sector</th> <th>Proportion of Public Service</th> <th>Average TRR Pre 95 (Non Class A PRSI)</th> <th>Average TRR Post 95 (Class A PRSI)</th> <th>Average TRR</th> </tr> </thead> <tbody> <tr> <td>Civil Service</td> <td>13%</td> <td>44%</td> <td>33%</td> <td>36%</td> </tr> <tr> <td>Health Sector</td> <td>38%</td> <td>33%</td> <td>35%</td> <td>35%</td> </tr> <tr> <td>Justice</td> <td>5%</td> <td>44%</td> <td>30%</td> <td>34%</td> </tr> <tr> <td>Public Service</td> <td>100%</td> <td>36%</td> <td>34%</td> <td>35%</td> </tr> </tbody> </table> <p>The figures highlighted in red were amended.</p>	Sector	Proportion of Public Service	Average TRR Pre 95 (Non Class A PRSI)	Average TRR Post 95 (Class A PRSI)	Average TRR	Civil Service	13%	44%	33%	36%	Health Sector	38%	33%	35%	35%	Justice	5%	44%	30%	34%	Public Service	100%	36%	34%	35%										
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P 18	<p>Box 4: Summary of possible impacts of decoupling from ill-health retirement rules and moving to a flat rate of TRR</p> <p>Equity Impact – Last paragraph</p> <p><i>Replace 34% with 35%</i></p>																																			
P 19	<p>Box 4: Summary of possible impacts of decoupling from ill-health retirement rules and moving to a flat rate of TRR – Continued</p> <p>Bullet points</p> <ul style="list-style-type: none"> • A flat rate of TRR at 30% of salary is estimated to reduce the cost of TRR by 13% • A flat rate of TRR at 35% of salary is estimated to be cost neutral • A flat rate of TRR at 40% of salary is estimated to increase the cost of TRR by 12% <p><i>Replace Table 4 with the following table</i></p> <table border="1"> <thead> <tr> <th>Sector</th> <th>Average TRR %</th> <th>Change in cost 30%</th> <th>Change in cost 33%</th> <th>Change in cost 40%</th> </tr> </thead> <tbody> <tr> <td>Civil Service</td> <td>36</td> <td>-12%</td> <td>-3%</td> <td>+11%</td> </tr> <tr> <td>Health Sector</td> <td>35</td> <td>-13%</td> <td>-4%</td> <td>+16%</td> </tr> <tr> <td>Education</td> <td>40</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> </tr> <tr> <td>Justice</td> <td>34</td> <td>-13%</td> <td>-3%</td> <td>+17%</td> </tr> <tr> <td>Local Government</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> </tr> <tr> <td>Public Service</td> <td>35%</td> <td>-13%</td> <td>-5%</td> <td>12%</td> </tr> </tbody> </table> <p>The figures highlighted in red were amended.</p>	Sector	Average TRR %	Change in cost 30%	Change in cost 33%	Change in cost 40%	Civil Service	36	-12%	-3%	+11%	Health Sector	35	-13%	-4%	+16%	Education	40	n/a	n/a	n/a	Justice	34	-13%	-3%	+17%	Local Government	n/a	n/a	n/a	n/a	Public Service	35%	-13%	-5%	12%
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