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| Submission No 8 |
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**FOLLOW UP OF THE AUDITOR-GENERAL'S
PERFORMANCE AUDITS SEPTEMBER 2010 - FEBRUARY
2011**

Organisation: Public Service Commission
Name: Mr Graeme Head
Position: Commissioner
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Date Received: 23/04/2012

Theme:

Summary



Public Service Commission

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Mr Jonathan O'Dea MP
Chair
Public Accounts Committee
Parliament of New South Wales
Legislative Assembly
Macquarie Street
SYDNEY NSW 2000

Dear Mr O'Dea

I refer to your recent letter to Mr Chris Eccles, Director General, Department of Premier and Cabinet concerning the Auditor-General's performance audit entitled "Sick Leave".

The Public Service Commission now has responsibility for leading the strategic development and management of the NSW public sector workforce which includes the management of sick leave.

I am pleased to advise that all recommendations arising from the Auditor-General's report have been completed. Attached is the template detailing the actions taken in response to the report's recommendations.

The Commission intends to continue to promote best practice in relation to effective sick leave management through interagency workshops and the development of a booklet / online resource of case studies and better practice principles.

The Auditor-General's performance audit was a timely reminder of this important area of workforce management. It is essential that sick leave is effectively managed across the NSW public sector. As the report points out, no initiative on its own will reduce sick leave. Agencies can adopt a range of strategies to suit their workplace to address both genuine illness and sick leave abuse by employees.

The Audit Report has focused agencies' attention on the importance of effective sick leave management and the initial signs are that the implementation of the report's recommendations will be of benefit to the sector as a whole.

Yours sincerely



23.4.12

Graeme Head
Commissioner

Performance Audit – Sick Leave
Implementation of Recommendations

| | RECOMMENDATIONS | ACCEPTED OR REJECTED | ACTIONS TO BE TAKEN | DUE DATE | STATUS | RESPONSIBILITY |
|----|--|----------------------|--|----------------|--|---|
| 1. | <p>That by September 2011, the Department of Premier and Cabinet help public sector agencies manage sick leave by sharing best practice examples of:</p> <ul style="list-style-type: none"> a) agency strategies to reduce sick leave such as return to work interviews, welfare checks, and case managing staff with psychological issues b) agency analysis of sick leave trends and patterns such as sick leave by weekday to help identify cases of excessive sick leave c) monitoring sick leave with other human resource indicators including staff engagement to find out what motivates staff to go to work (pages 17 - 18). | Accepted | An interagency working group to be convened to share best practice in relation to effective sick leave management. | September 2011 | Completed. The interagency meeting took place on 31 October 2011 | Capability Group, Public Service Commission |
| 2. | That by February 2011, the Department of Premier and Cabinet provide agencies with the sick leave rates of all agencies in the NSW public sector so they can compare their performance (page 10). | Accepted | Provide each cluster head with a table comparing sick leave rates per FTE from 2008/9 and 2009/10 across the then 12 clusters. They were also to be provided with a breakdown of sick leave rates per FTE by agency within their cluster only. | February 2011 | Completed. In February 2011, the information was provided to cluster heads. | Capability Group, Public Service Commission |
| 3. | That by February 2011, the Department of Premier and Cabinet publish the average annual sick leave rate for the NSW public sector on its website to advise people of the public sector's performance (page 10) | Accepted | A revision is to be made to the NSW Public Sector Workforce 2010 Snapshot to include the average number of sick leave hours taken per FTE. | February 2011 | Completed. In February 2011, a revision was made to the NSW Public Sector Workforce 2010 Snapshot to include at 4.9 the average number of sick leave hours taken per FTE: "56.88 hours compared to 56.78 hours the previous year". An increase of 0.18%" | Capability Group, Public Service Commission |