

Delegated Decision

26 March 2024

Introduction of Long Service Awards Policy



Report of Corporate Management Team

Report of Paul Darby, Corporate Director of Resources

Electoral division(s) affected:

None

Purpose of the Report

- 1 Following the Corporate Management Team approval of a long service recognition scheme, the Council's new policy in relation to Long Service Recognition will come into force from 1 April 2024 which ensures implements the CMT decision.

Executive summary

- 2 Corporate Management Team (CMT) had previously considered introducing a long service reward scheme in February 2020; however due to the Covid-19 pandemic and the resultant changing priorities, it was agreed at that time to place the scheme on hold.
- 3 However, employee requests for acknowledgment of long service continued, with the issue being highlighted on the DCC intranet Discussion Board in January 2023 and additionally being raised on four occasions via 'Dear John' in 2022 and four occasions in 2023.
- 4 At the request of the Chief Executive, a report was presented to CMT for further consideration inclusive of options for recognition.
- 5 CMT agreed to relevant long service milestones of 20, 30, 40 and 50 years continuous service, inclusive of previous local government service with former district councils and other local authorities.
- 6 CMT agreed to the following:
 - (a) The award of additional annual leave for the year in which the long service milestone is reached;

- (b) The award of a £250 voucher for employees reaching a 50 year long service milestone
 - (c) Letter and certificates of long service to be provided to managers for issue to relevant employees
 - (d) The offer of a token gift for employees reaching a long service milestones after implementation on 1 April 2024.
 - (e) The awarding of annual leave for retrospective milestones, for those who have previously reached a milestone prior to implementation.
- 7 Systems/processes have been developed to facilitate the long service recognition / awarding of additional annual leave, alongside the development of a Long Service Awards Policy to support the implementation of the agreed scheme.
- 8 It is recommended that:
- The Long Service Recognition Scheme is noted;
 - The Council's Long Service Awards Policy (Appendix 2) is agreed.

Background

- 9 Prior to the agreement by CMT to introduce a long service recognition scheme, there was no corporate approach to acknowledge long service. The Inspiring People awards recognise 'merit and achievement' of nominated employees, but long service is not part of the process.
- 10 CYPs and AHS had previously recognised long service as part of their employee awards process, inviting employees to an evening celebration ceremony where employees would be presented with a souvenir photograph and certificate by the Head of Service. This was in place until 2017.
- 11 Some other service-based arrangements were in place for recognising long service e.g. letters and visits from Heads of Service/Strategic Managers.
- 12 There has been no single corporate co-ordinated approach/policy to recognise long service since 2008/2009 (post Local Government Review (LGR)).
- 13 Pre-LGR, long service awards were as follows: £20 for 20 years' service, £30 for 30 years' service and £50 for 40 years' service as well as the awarding of other gifts (pens, watches, etc.) of reasonably small value (£50-£100).
- 14 Feedback had previously been sought from managers across the council on what we can do to improve the employee offer around engagement, recognition, benefits and ideas/innovation. It was identified that the council needed to refresh the approach to recognition and that employees like to be recognised for their contribution in different ways and this will be addressed in the wider review of employee recognition. However it must be noted in the interim, that recognition of long service and having a corporate scheme continued to be raised as an issue.
- 15 In February 2020, CMT considered proposals for recognition of long service and after discounting other options of recognition, settled on awarding additional annual leave as the preferred way forward to recognise long service. The report did not however progress due to the changing priorities as a result of the Covid-19 pandemic.
- 16 The proposals were subsequently reconsidered by CMT in June 2023, where the following proposals were considered and agreed:
 - (a) Awarding additional annual leave in the year a significant milestone was reached.
 - (b) Awarding of high street vouchers for 50 years' service (£250).
 - (c) Agreed milestones to be 20, 30, 40 and 50 years.
 - (d) Retrospective awards to also be acknowledged and additional leave to be awarded for the most recent milestone reached

- (e) Long service acknowledgment letters and certificates to be made available to managers for issue.
 - (f) All local government service, rather than just Durham County Council service, to be recognised in the calculation of continuous service.
- 17 Consultation with the Deputy Leader and Portfolio Holder for Finance resulted in a request for token gifts to be added to the employee offer, with this recommendation was subsequently considered and agreed by CMT on 25 October 2023.
- 18 Consultation with Trade Unions resulted in a change to the award proposed for employees with 50 years continuous service, with annual leave added to the initially proposed £250 voucher.
- 19 The agreed awards are:
- (a) 20 years' service – 1 day additional leave (pro rata for part time)
 - (b) 30 years' service – 2 days additional leave (pro rata for part time)
 - (c) 40 years' service – 3 days additional leave (pro rata for part time)
 - (d) 50 years' service – 3 days additional leave (pro rata for part time) plus a £250 voucher.
- 20 In advance of the implementation of the scheme, it was acknowledged that the data quality regarding the 8,000+ service based employees was subject to the quality of information received from previous employers e.g. through LGR, TUPE transfers and some required review and amendment prior to implementation.
- 21 Employees were advised to check their details and contact Payroll and Employee Services where amendments were required following further clarification.
- 22 This has helped to ensure that the long service recognition scheme is accurately administered, and data accuracy is maximised.

Long Service Awards Policy

- 23 The Long Service Awards Policy produced by Durham County Council (Appendix 2) outlines the following:
- (a) Who the scheme applies to.
 - (b) Details of the awards and milestones.
 - (c) Notification processes.
 - (d) Processes for booking and taking leave.

- (e) Voucher for 50 years milestone.
 - (f) Processes for untaken additional leave and employees leaving the council.
 - (g) Continuous Service queries.
 - (h) Compliance with the Equality Act 2010.
- 24 Employees will request their long service leave outside MyView / leave cards, and the agreement to take long service leave will be managed between employee and manager.
- 25 Payroll and Employee Services have been consulted and agree with this approach. They will also be responsible for the resolution of any continuous service queries raised by the employee and / or manager.
- 26 Employees will also have the option to request a token gift to acknowledge the milestone.
- 27 However due to tax and NI implications regarding the potential receipt of more than one gift in a ten year period, no token gift will be available for retrospective awards.

Next Steps

- 28 An overall communications plan / approach has been implemented as follows:

Action	Date
Staff comms re. data cleanse / service date checking	14 July 2023
Consultation with Trade Unions	16 August 2023 and 8 February 2024
CEO intranet blog to mark Employee Appreciation Day	1 March 2024
EMT Briefing	6 March 2024
EMT/T4 manager email	7 March 2024
Publication of the policy on the Intranet	14 March 2024
Emails to T4 managers re. retrospective awards	14 March 2024
Final policy to trade unions for information.	2 April 2024
Article in Buzz to ensure accessibility to the wider workforce and non-digital employees	2 April 2024

Conclusion

- 29 The Long Service Awards Policy at Durham County Council enhances our commitment to employee wellbeing and ensures our compliance with the legal framework.

Background papers

None

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Appendix 1: Implications

Legal Implications

Legal implications are as set out in the paragraph relating to equalities and diversity.

Finance

There are financial implications if a voucher scheme for employees reaching 50 years' service was introduced, although impact will be minimal due to low numbers of employees and the relatively low voucher value.

Costs due to lost productivity / back fill for frontline posts would need to be met from service staffing budgets and this may impact on service delivery in these areas should additional leave be agreed.

A budget is required to fund the cost of token gifts, should an employee request this. An initial annual budget of £30,000 for 2024/25 has been requested.

Consultation

Consultation will be in line with council policies.

Scheme presented to Trade Unions for consultation on 16 August 2023 and 8 February 2024.

Equality and Diversity / Public Sector Equality Duty

An equality impact assessment has previously been undertaken with the Equalities Team.

There are potential sex discrimination claims from school-based staff due to male employees being more likely to accrue long service than women, due to women being more likely to take breaks in their career for childcare etc.

Age discrimination may also be a risk due to indirectly discriminating against younger employees who, simply because of their age, are less likely to have accrued long service in comparison with their older colleagues at a point in time however this is considered minimal. Any employee claims for sex and/or age discrimination which, if successful, can result in uncapped damages.

Indirect discrimination can be justified if it can be shown the award reasonably appears to fulfil a business need e.g. rewarding loyalty, motivation and experience.

Therefore, the discrimination implications of long-service benefits have been considered alongside the rationale for believing the benefits are fulfilling a business need. To support this ongoing monitoring, including obtaining employee feedback, and regular reviews of the long-service scheme will be undertaken in order to

demonstrate the continued awareness of the council's legal obligations and review of policies to ensure continued compliance with the relevant legislation.

Climate Change

None

Human Rights

None

Crime and Disorder

None

Staffing

The implementation of this policy will support staff recognition and has positive impacts on employee wellbeing and work-life balance.

The scheme will be managed within existing resources.

Accommodation

None

Risk

There are limited risks to the scheme

Procurement

Procurement have been consulted in relation to sourcing token gifts upon employee request.

Long Service Awards Policy



1 Introduction

The council values the contribution made by all employees and considers it important to recognise, reward and celebrate their commitment and contribution.

This policy summarises the process of recognising significant local government continuous service with Durham County Council and local government.

2 Who does it apply to?

This scheme applies to all employees of the council, excluding casual employees, those on agency assignments and those employed in schools with delegated budgets, where the governing bodies of individual schools have their own procedures.

Service is based on continuous Local Government Service, including service from pre-LGR district councils and service which TUPF transferred to another organisation and then TUPF transferred back again. Continuous local government service is inclusion of organisations covered by the ['Modifications Order'](#).

An employee who has achieved 20, 30, 40 or 50 years of continuous local government service whilst in the council's employment, will be eligible to receive a long service award as outlined below. Awards are made irrespective of whether the continuous service is based on full or part-time working.

Employees who have had a break in service will not have their service aggregated for the purpose of qualification for an award, and continuity of service will be based on the most recent start date after a break in service.

Example 1:

Karen commenced employment with Durham County Council on 1 April 1988. She left DCC on 31 December 1999 and commenced employment with Marks and Spencer's.

Karen re-joined Durham County Council on 1 January 2010.

At 1 January 2024, Karen has 14 years continuous service, as her period of employment with Marks and Spencer's broke her continuity of local government service. Her previous DCC service from 1 April 1988 to 31 December 1999 is not added to her period of continuous service.

Employees with multiple posts will not have their employment within these jobs added together.

Periods of maternity/paternity/shared parental leave, sickness leave, and formally approved career breaks will count towards long service.

3 Award

Employees achieving a 20, 30, 40 or 50 year milestone will be awarded additional annual leave, as per the table below, for the year in which the milestone is reached (pro rata for part time).

This additional leave **will not** form part of the employees' ongoing annual leave entitlement and must be taken within 12 months of the date of award.

The annual leave awarded will be pro rata in accordance with the employees' working hours e.g., an employee working 18.5 hours per week will be awarded 0.5 days' annual leave for achieving a 20 year milestone.

An employee achieving a 50 year milestone will also be awarded a £250 voucher.

Continuous Local Government service:	Award:
20 Years	1 day additional annual leave (pro rata for part time)
30 Years	2 days additional annual leave (pro rata for part time)
40 Years	3 days additional annual leave (pro rata for part time)
50 Years	3 days additional annual leave (pro rata for part time) plus a £250 voucher

Upon the roll out of the scheme, annual leave awards will be granted on an individual milestone basis and are not cumulative i.e. an employee reaching a 30 year milestone will receive an award of 2 days annual leave, **not** a total of 3 days (2 plus 1 for the previous 20 year milestone).

In addition to the above awards, managers are also advised to issue the employee with an acknowledgement letter (Appendix 1) and certificate (Appendix 2) to acknowledge the specific milestone.

Employees will also have the option of receiving / be awarded a gift in recognition for reaching a long service milestone:

To receive the gift award, employees will be required to submit a request form via the following link, upon receipt of the relevant notification of milestone achieved.

[Long Service Recognition Gift Request Form](#)

4 Notification of milestone achieved

When an employee approaches a long service milestone, managers and employees will be sent notifications from the MyView via a BAM alert. The manager will be issued with relevant details through the BAM alert of any milestones due to be reached in the following month.

Managers will be advised of the following information in the BAM alert:

- Name of employee,
- Details of the employee(s) length of continuous service / milestone achieved;
- Number of day(s) annual leave awarded / voucher application details (for 50 years only);
- FTE / weekly hours of the employee(s) (for the purposes of calculating pro rata annual leave entitlement)

Employees will also receive an alert to advise that they have reached a long service milestones and the details of the additional annual leave / voucher (where relevant).

The BAM alert will also signpost managers to issue an acknowledgement letter / certificate to the employees listed.

5 Booking and taking leave

The additional annual leave awarded to employees who achieve a long service milestone will not be added to an employees' MyView annual leave entitlement, or to the annual leave entitlement recorded on a holiday card (for those out of scope of the MyView annual leave module). This ensures that if the milestone was reached mid-way through the leave year, the employee will still have 12 months in which to take the leave, from the day the milestone has been reached.

Employees are required to follow the usual process for taking annual leave and request this time off via their manager for approval. This will be managed locally between the employee and the manager and will be taken outside of the MyView annual leave module / holiday card system.

As with any annual leave, employees must provide details of the dates on which they wish to take leave and provide reasonable notice to their manager. What constitutes reasonable notice can be agreed locally by managers in line with service requirements. The manager can refuse to allow requests for leave where it will cause operational difficulties.

6 Issuing of voucher for 50 years milestone

Employees who achieve a 50 year milestone will also be issued with a £250 voucher. Managers will be advised via BAM alert of the details of employees eligible for receipt of a voucher and will be provided with details of how to apply for the voucher on behalf of the relevant employee.

Once the voucher request has been authorised, an e-voucher will then be issued directly to the relevant employee, via their email address.

This voucher must not be transferred to any other person. The voucher is not exchangeable for cash and is non-refundable. The voucher's expiry date will be included on the front of the voucher/in the accompanying email. The voucher is valid up to and including the expiry date.

7 Employees leaving the council

Individuals achieving a 20, 30, 40 or 50 year milestone must be an employee of the Council at the point at which the milestone is reached, to be eligible for an award. If an employee leaves the Council prior to a milestone being achieved, an award will not be granted.

All additional annual leave awarded must be taken prior to an employees' leaving date. If after reaching a relevant milestone, an employee leaves the Council prior to having taken the additional annual leave, there will be no payment of the untaken leave and it will be lost.

8 Untaken additional annual leave

All additional annual leave must be taken within 12 months of the relevant milestone being achieved. Should the annual leave not be taken before the end of the 12 month period, the leave will be lost. There will be no payment of the untaken leave.

9 Tax Implications

As the above annual leave awards are non-monetary awards, there are no tax or NI implications.

For monetary or non-cash asset awards (i.e., the voucher for 50 years' service, engraved gift), there will be no employee or employer tax liability as no further monetary/non-cash asset award will be made within ten years of the previous service milestone.

10 Continuous service queries

Whilst a large data cleanse exercise has been carried out in advance, if a manager believes that the information they have received in a BAM alert regarding employee service is incorrect, they must contact the relevant Payroll and Employee Services Team to investigate **prior** to advising the employee of their award.

If it is subsequently determined that an employee's information is incorrect and a milestone has not been achieved, the additional annual leave awarded **will** be revoked. It is therefore important that any queries are resolved in advance of an employee being notified.

If a manager has not received an alert for an employee they believe **has** achieved a milestone, the manager should contact Payroll and Employee Services to investigate further.

11 Compliance with the Equality Act 2010

The Equality Act 2010 makes it unlawful to discriminate on the grounds of age.

The Act contains a specific exemption for awards to mark service of less than five years. Awards marking service in excess of five years are exempt from the Act if the employer can demonstrate that the award is intended to fulfil a business need, e.g., reward loyalty, encourage motivation or recognise the experience of the employee. This policy rewards service of more than five years and complies with the terms of the exemption.

For advice regarding the application of this policy please contact:

HR Advice and Support hradviceandsupport@durham.gov.uk

Service Payroll and Employee Services can be contacted by emailing:

Neighbourhoods and Climate Change PESNCC@durham.gov.uk

Regeneration, Economy and Growth PESREG@durham.gov.uk

Children and Young People's Services PESCYP@durham.gov.uk

Adult Health Services PESAHS@durham.gov.uk

Resources PESResources@durham.gov.uk

Further support can be accessed by contacting:

Occupational Health occhealthadmin@durham.gov.uk

Health and Safety hsteam@durham.gov.uk

Employee Assistance Programme www.healthassuredeap.com



Username: durham

Password: council

0800 716 017

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Author	Version	Last review	Next review		
HR Officer	1	April 2024	April 2027		