

## SAMPLE TIPS AND GRATUITIES NOTICE TEMPLATE

### EXAMPLE A

*\*Note for employers: if cash tips are managed by employees themselves, for example under a 'tronc' system, there is no requirement to outline the rules that apply to the distribution of these tips in the Tips and Gratuities Notice for customers.*

### Tips and Gratuities Notice

[insert organisation name] is required by law under the Payment of Wages Act 1991 as amended to distribute to our employees any tips or gratuities received by us by electronic means and we are committed to our obligations under this referenced legislation and the associated SI 545 of 2022 Payment of Wages Act 1991 (Display of Notices) Regulations 2022

### Mandatory Charges

This restaurant adds a mandatory service charge to customers' bills [where... insert details] which is treated as a service charge and distributed to employees where collected by electronic means in accordance with the law.

### Service Charges/Tips (digital)

This service charge where collected by electronic means is distributed *[delete or amend as appropriate/choose the relevant option(s) below]*

- o among all staff equally
- o based on seniority and experience
- o based on number of hours worked
- o the worker's role in service delivery

### Service Charges (cash)

All non-digital tips are distributed as per our cash tips policy. The amount available for staff in the restaurant is shared out through a system controlled by a \*staff representative

Waiver; this template is for guidance only and the examples given are not exhaustive. It is a matter for each organisation to discharge their obligations in relation to a Tips and Gratuities Notice as required under Section 4E(1) of the Payment of Wages Act 1991 as amended and the Payment of Wages Act 1991( Display of Notices) Regulations 2022 as to the mandatory service charges, the distribution policy for digitally collected tips together with the obligation to outline their policy on non-digital tips.

30/11/2022 (V1)

## EXAMPLE B

*\*Note for employers: if cash tips are managed by the business itself, there is a requirement to outline the distribution rules that apply to these cash tips in the Tips and Gratuities Notice for customers.*

### Tips and Gratuities Notice

[insert organisation name] is required by law under the Payment of Wages Act 1991 as amended to distribute to our employees any tips or gratuities received by us by electronic means and we are committed to our obligations under this referenced legislation and the associated SI 545 of 2022 Payment of Wages Act 1991 (Display of Notices) Regulations 2022

### Mandatory Charges

This restaurant adds a mandatory service charge to customers' bills [where... insert details] which is treated as a service charge and distributed to employees where collected by electronic means in accordance with the law.

### Service Charges/Tips (digital)

This service charge where collected by electronic means is distributed [ *delete or amend as appropriate choose the relevant option(s) below*]

- among all staff equally
- based on seniority and experience
- based on number of hours worked
- the worker's role in service delivery

### Service Charges (cash)

All non-digital tips go to the staff. The business shares the amount available for staff <*choose from the option(s) below*>

- among all staff equally
- based on seniority and experience
- based on number of hours worked
- the worker's role in service delivery

Waiver; this template is for guidance only and the examples given are not exhaustive. It is a matter for each organisation to discharge their obligations in relation to a Tips and Gratuities Notice as required under Section 4E(1) of the Payment of Wages Act 1991 as amended and the Payment of Wages Act 1991( Display of Notices) Regulations 2022 as to the mandatory service charges, the distribution policy for digitally collected tips together with the obligation to outline their policy on non-digital tips.

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