

NOTICE OF MOTION**Fair Tips for hotel and restaurant staff**

“A significant part of Brighton and Hove’s economy is dependent on the hospitality sector, with many hundreds of restaurants and hotels employing thousands of staff to serve their customers.

This council welcomes the tightening of legislation by the Labour Government, which will now prevent businesses from making up the minimum wage of their staff with money from tips or service charges. This was a result of the Fair Tips Charter Campaign by Unite the union, and while recognising there are honourable owners of hotels, restaurants, and other hospitality outlets who ensure that all gratuities are paid to their staff in addition to at least the minimum wage without deductions, acknowledges that this is not always the case.

This council is also aware that HM Revenue and Customs class service charges, cover charges, gratuities and tips as gratuities for national insurance contributions purposes, yet many hospitality establishments still treat these as extra payments to the proprietors and do not pass them on to their staff and often use them to pay for extras such as ‘customer walk outs’ and breakages.

This council urges all hospitality sector establishments in the city to sign up to continue to build on the steps taken by Government, alongside the Fair Tips Charter Campaign and to:

- Pay all employees at least the minimum wage with 100% of tips added on top as a bonus with no hidden charges.
- Reach agreement on how tips are shared with those staff directly.
- Make no deductions from tips to cover breakages, till shortages or customer walk-outs.
- Make all rules for the distribution of tips and service charges available in writing for staff and customers on request.”

Proposed by: Cllr Warren Morgan

Seconded by: Cllr Melanie Davis

Supported by: Cllrs Jeanne Lepper, Gill Mitchell, Melanie Davis, Craig Turton, Les Hamilton, Christine Simpson, Mo Marsh

