



Employment (Allocation of Tips) Act 2023

2023 CHAPTER 13

2 How tips etc must be dealt with

After section 27C of the Employment Rights Act 1996 insert—

“27D How tips etc must be dealt with

- (1) An employer must ensure that the total amount of the qualifying tips, gratuities and service charges paid at, or otherwise attributable to, a place of business of the employer is allocated fairly between workers of the employer at that place of business.
- (2) Where a worker is allocated an amount of employer-received tips in accordance with subsection (1), that amount is payable to the worker by the employer.
- (3) In determining what would be a fair allocation of qualifying tips, gratuities and service charges under this section or section 27E (non-public places of business), regard must be had to the relevant provisions of any code of practice issued under this Part.
- (4) See also sections 27E (non-public places of business) and 27F (independent trons).

27E Non-public places of business

- (1) This section applies where—
 - (a) qualifying tips, gratuities and service charges are paid at, or are otherwise attributable to, a non-public place of business of an employer (the “non-public tips”), and
 - (b) the employer also has one or more public places of business.
- (2) The employer may comply with the requirement in section 27D(1) to ensure that the total amount of the non-public tips is allocated fairly between workers

Status: This is the original version (as it was originally enacted).

of the employer at the non-public place of business by instead ensuring that the total amount of the non-public tips is allocated fairly between both—

- (a) workers of the employer at the non-public place of business, and
- (b) workers of the employer at one or more public places of business of the employer.

(3) In this section—

“non-public place of business” means a place of business that is not a public place of business;

“public place of business” means a place of business where interaction between—

- (a) customers of the employer, and
 - (b) workers of the employer,
- occurs wholly or mainly face-to-face.”