

MIDLANDS PARK

HOTEL

Title: Gratuities Policy	Reference No: CP - 15	Effective Date:
Version No: 1	Department: Human Resources	Approved By: Jennifer Emerson

1. Policy Statement

The Payment of Wages (Amendment) (Tips and Gratuities) Act, 2022 (“the Act”) will commence on December 1st, 2022. This policy will give clear guidance on how voluntary tips, gratuities and service charges are shared between Midlands Park Hotel employees.

2. Purpose

To ensure that Midlands Park Hotel clearly displays our policy on tips and gratuities for our guests and employees on how they are distributed between relevant employees.

3. Definition of Tip, Gratuity & Service Charge.

A ‘tip or gratuity’ is a payment made by a customer which they assumed would be kept by the employee or shared with other employees.

It is either:

- Voluntarily made to, or left for an employee or group of employees
- Voluntarily made to the Midlands Park Hotel.

Voluntary service charges are the same as a tip or a gratuity. Mandatory service charges are charges that must be paid by the customer, on top of the cost of the product or service. All mandatory service charge applied to a customer’s bill as a 'service charge' will be treated by Midlands Park Hotel in the same way as electronic tips or gratuities. This means that mandatory service charges can only be added to a bill if the money goes to employees.

3. Scope

This policy applies to all our team members who are employed by the Midlands Park Hotel who receive tips and gratuities for their service delivery.

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4. Policy Elements

- 4.1. Midlands Park Hotel applies a “Tronc” system in application of tips and gratuities. The tronc system is a special pay arrangement that lets the departments fairly share staff tips, gratuities and service charges given by customers.
- 4.2. Electronic tips received by Midlands Park Hotel will be distributed fairly and in a transparent way. The following factors will be considered when deciding how to distribute tips, including:
 - The number of hours worked
 - The team members role in service delivery
- 4.3. Midlands Park Hotel will process your electronic tips received during a particular period and how much was paid to you. This will be paid through your payslip. If you require a detailed breakdown, please contact the accounts team for details. You will receive this statement within 10 days of the tips and gratuities being distributed
- 4.4. Employees engaged in tasks involving customers and alliance partners are required to always wear company-designated uniforms while working and representing The Midlands Park Hotel.
- 4.5. Tips & Gratuities Notice – Our guests at Midlands Park Hotel have the right to know what service charges are used for and who they go to. We will clearly display our policy on how cash and card tips, gratuities and service charges are distributed through our “Tronc” system and payroll system based on hours worked and team members role in service delivery.