



# UKHOSPITALITY

SUMMER NEWSLETTER

**WE WORK TO UNLOCK  
THE INDUSTRY'S  
POTENTIAL AS ONE OF  
THE BIGGEST ENGINES OF  
GROWTH FOR THE SECTOR**



## CELEBRATING A MOMENTOUS YEAR

UKHospitality, Chief Executive, Kate gives her thoughts on UKHospitality's first year.



## WORKFORCE SKILLS

MPs across the country are being challenged to test out their hospitality skills in a bid to dispel misconceptions that the industry is low skilled.



## APPG FOR HOSPITALITY

Five roundtables on key topical industry issues will form part of a series of reports that will outline the concerns and challenges in these areas.



## BATTLING BUSINESS RATES

UKHospitality intensifies the campaign to effect action on this long standing and highly damaging issue.



## MINIMUM WAGE BALANCE

As politicians continue to use the NMW as a campaigning tool UKHospitality has been engaging proactively, pushing hard to ensure the right balance is struck.



## TOO MANY REGS SPOIL THE BROTH

A plethora of legislations threatens to cause big changes for food serving businesses.

## A MOMENTOUS YEAR

UKHospitality is now more than a year old, and its first year has been a momentous one. For the first time, the UK's hospitality sector, which is the 3rd largest private sector employer in the country, has a single voice to champion its fantastic businesses. The formation of UKHospitality came, arguably, not a moment too soon. The past twelve months have seen the sort of political uncertainty that is, thankfully, rare in the UK. The debate, and associated instability, that accompanies Brexit continues to trundle on, spreading its tendrils into almost every aspect of business and day-to-day life.

The first half of 2019 has been dominated by Brexit, but UKH has been championing the sector on numerous other issues. We have been flying the hospitality flag on nutrition and food safety, securing support for employment, training and retention, and pushing back against increasing costs across the board.

As we move into the second half of the year, we can look forward to a new Prime Minister with some relish or dread depending on your outlook and, with any luck, the beginnings of a move towards some sense of stability. Our work will continue, though, and we are in a strong position to make sure that your concerns are heard at the highest levels and the support you deserve is secured.



**KATE NICHOLLS**  
CHIEF EXECUTIVE  
UKHOSPITALITY



## CAMPAIGNING HIGHLIGHTS



### ALL PARTY PARLIAMENTARY GROUP FOR HOSPITALITY

UKHospitality is the Secretariat of the All Party Parliamentary Group for Hospitality. This year, the APPG is holding five roundtables on key topical issues in the industry. These topics were agreed with the Group's MPs in January and will cover 'Tourist Tax', business rates, online issues (travel agents and home sharing platforms) and the workforce (Immigration and apprenticeships). Prominent speakers have been selected for each of these events and the meetings will form the primary means for APPG discussion. After the events, UKHospitality

will be producing a snap report for MPs recapping the main points of discussion.

The first report on tourist tax was published on 20 May this year. The recommendations of the report were well received by members of Parliament and were prominently featured in an article on tourist tax in the Financial Times. The next report on Business Rates is due in July and we expect this to be received with similar vigour.



### MP SKILLS CHALLENGE

UKHospitality has launched its Hospitality Skills Challenge in May, taking Parliamentarians into venues within their constituencies to demonstrate the highly skilled nature of work in the sector. We have already seen wide uptake from MPs. Across Sheffield and the North East, MPs including Chi Onwurah, Shadow Minister for Industrial Strategy, Guy Opperman, Parliamentary Under Secretary for Work and Pensions and Louise Haigh, Shadow Minister for Policing have taken part. MPs have had a go at making cocktails, preparing the special on that night's menu, free pouring and pouring pints.

Following on from the findings of the Hospitality Workforce Commission 2030, it's important that we promote careers in the hospitality industry more broadly. In doing so, we hope to bust the myth that hospitality workers are low skilled. This is even more pressing given the conditions set out in the Government's Immigration White Paper, the conditions of which will have wide ranging consequences for the sectors ability to hire migrant workers. The aim of the 'Skills Challenges' is twofold, to promote the skills required to work in the sector, while also showing that the industry offers great prospects for career progression.





## LEGISLATIVE IMPACTS

### TOO MANY REGS SPOIL THE BROTH

UKHospitality deals with approximately fifty different policy areas covering our diverse membership, with some issues relevant to specific sectors. As the vast majority of hospitality operators are serving great food and drink to our customers one area that affects almost all is food & nutrition policy and regulation.

UKHospitality is very strong in this area, with two groups of leading experts from a range of member companies dealing first-hand with the issues. Ably chaired by Wan Mak of Sodexo (nutrition) and Darryl Thompson of Mitchells & Butlers (regulation), these groups provide expert advice and feedback on food safety, nutrition and enforcement with the support of national food guru and UKHospitality Food Safety Expert, Dr Lisa Ackerley.



#### FOOD SAFETY AND HEALTH

Food safety and health are constant workstreams for UKHospitality, with ongoing work on food reformulation and nutrition and better enforcement of regulation such as the food hygiene rating scheme and making sure the food we serve our customers is safe. UKHospitality's range of food safety guidance for the hospitality sector is constantly under review to ensure it is as up to date as possible for members.

On top of the day to day work on food issues, the last eight months has seen an unprecedented level of activity at Government level to introduce a number of new regulations on hospitality food businesses.

The two major issues are mandatory calorie labelling on menus, and allergen labelling on sandwiches and other foods made on site.



#### CALORIE LABELLING

We and our members are fully supportive of efforts to give our customers information to guide them, and are already committed to existing sugar, salt and calorie reduction targets. Many members already offer voluntary calorie information schemes in their businesses. In our consultation response we made clear that the decision has been made to introduce a form of calorie labelling for out of home businesses, however we still feel voluntary measures bespoke to business are the most effective way forward rather than legislation.

If Government is to legislate, the final system in place should be workable, practical and proportionate - and ensure it does not have any unintended consequences (be that business cost, reduction or change in offer that would not be beneficial to customers, or impact current calorie strategies).



#### ALLERGENS LABELLING

On allergens, the Government consulted on a range of options, including full ingredient labelling, to make customers aware of allergens in packaged food made in house and sold on site. UKH surveyed members, and the vast majority supported our preferred option of "ask about allergens" labelling to continue to encourage conversation and active dialogue which is a partnership of responsibility between customers and businesses. Detailed labels on food may mean that customers no longer enter into any dialogue because they have a false sense of security. The label would not be able to tell them about any risks of cross-contact for any particular food. We are in favour of a consistent FSA approved sticker or image to be printed on packaging, to make sure customers get the same message in all types of businesses which we will be taking forward in 2019.



#### CHILDHOOD OBESITY STRATEGY

In addition to the above, the Childhood Obesity strategy continues, and there have been consultations on advertising, promotions and product placement for high fat, salt and sugar foods, clearly showing this agenda will not slow down in the coming months and businesses need to be ready.

**UKHospitality will continue to play a leading role for our members and the wider hospitality sector when it comes to food and nutrition into 2019 and beyond, as we face a host of potential new challenges and opportunities on these vital issues and ensure we avoid any unintended consequences and unnecessary cost from any new legislation.**



#### STRIKING A BALANCE ON MINIMUM WAGE RATES

The hospitality sector is rightly proud of its job creation role in society, with 3.2 million employed across the country. This workforce helps businesses provide a great customer experience and is the frontline in our drive to grow and succeed. But, this comes at a cost, with around 30% of turnover being absorbed in payroll costs.

Wage rates vary across the sector but it is clear that a significant minority of employees are paid at or around the various minimum wage rates. That is why UKHospitality engages proactively with the Low Pay Commission on its annual consultation and has helped to ensure that increases in the NLW/NMW take account of prevailing economic conditions. This means that the NLW will likely be £8.65 in 2020 rather

than the £9 plus that was predicted by George Osborne at its introduction. The youth rates have also been maintained, which provide a useful route into employment for young people, and an opportunity for swift pay and career progress.

The Government is now considering its plans for NLW post-2020, where it aims to be 'ambitious'. UKH was invited to No. 11 Downing Street to discuss these plans in detail with other business groups and trade unions. While supporting the Government's broad objectives UKH was clear that any increases should take into account the impact on business and not be rushed through. UKH is well placed, with the support of its members, to ensure the right balance is struck.



#### BATTLING THE BURDEN OF BUSINESS RATES

Business rates continues to be a scourge of hospitality businesses, placing a disproportionate burden on a sector that is dependent on property to meet its customers' needs. But there are signs that change could be afoot, after ongoing pressure from UKHospitality.

Government, in recent years, has heard calls from sector representatives about the unfairness of the current system, but these have been met with piecemeal reliefs - often missing those in real need. The reliefs are often based on a size or ownership basis that excludes many of our members in need. The most recent reliefs excluded hotels and properties above an arbitrary size - despite the rates bills being way out of kilter with affordability. Multiple pub and restaurant operators often miss out due to the application of State Aid rules.

More fundamental reform is needed and UKHospitality was delighted that the Treasury Committee has launched an inquiry into the entire rates system. This followed prolonged lobbying from UKHospitality. This cross-party group of MPs is taking a forensic look at the system and we are confident they will produce recommendations for reform. UKH Chief Executive Kate Nicholls gave evidence to a Committee hearing in Parliament and UKH and members were also present at a roundtable with leading MPs to press the case further.

Full reform will not come quickly but UKH's proposal for a Royal Commission takes the politics out of the search for a solution. In a changing economy now is the time for a better system for hospitality.



# UKHOSPITALITY MEMBER BENEFITS



UKHOSPITALITY PROVIDES A STRONG, UNITED VOICE

FOR A SECTOR THAT GENERATES £130BN REVENUE EACH YEAR, PROVIDING AN AUTHORITATIVE VOICE TO OVER 700 MEMBER COMPANIES, OPERATING 65,000 VENUES IN A SECTOR THAT EMPLOYS 3.2 MILLION PEOPLE.



As a member, you have UKHospitality campaigning on your behalf on the issues that matter to you. Making your voice heard to help you do business more easily. You also have access to business advice and support services to help lift the burdens of managing compliance and administration, including reports and guidance, exclusive discounts, free legal advice and more.



## GUIDANCE

UKHospitality provides advice and guidance on the latest policy and regulations to help you to comply with the law. For legal advice, UKHospitality members have access to a **free legal helpline**.



## ASSURANCE

Members who sign up to UKHospitality's **Primary Authority scheme** with Cornwall Council, will receive added protection under its assured guidance.



## EXCLUSIVE SUPPLIER OFFERS

As a member you also have access to **exclusive member discounts** on a range of essential services from staff benefits to E-POS systems. For supplier members, we can help promote your services among the UKHospitality community.

For more details on the above, please visit our website [www.ukhospitality.org.uk](http://www.ukhospitality.org.uk), contact the team on **020 74047744** or email [membership@ukhospitality.org.uk](mailto:membership@ukhospitality.org.uk)



## COMMUNITY

At UKHospitality you join individually but become part of a greater team. UKHospitality has a number of meetings designed to create platforms of collaborative debate and discussions, where members can learn from one another share best practice and help to develop UKHospitality's policies and campaigns. These include our popular conferences, lobbying opportunities, and spectacular networking events. In addition, operator members can also join the regional committee meetings and industry workings to discuss the issues on the horizon and how as one industry we should tackle them.



### Hospitality Day in Parliament 13 November 2019

A unique chance for members to meet with a number of MPs to ensure that Westminster is aware and understand your concerns and objectives, while also celebrating the importance of the hospitality industry.



### Dusk 'til Dawn Late Night Awards 16 October 2019

The 'Dusk Till Dawn Late Night Awards' is the annual celebration of the UK's late night hospitality sector. Covering all aspects of the late night scene, the event includes awards for 'Best Late Night Bar', 'Best Late Night Company' amongst others. Nominations are open to all players in the late night industry. Visit the UKHospitality website to find out more and nominate.



### Christmas Lunch 2019 17 December 2019

The annual Christmas Lunch is an opportunity to celebrate the year's accomplishments, network with colleagues and mark the end of another busy year. One of the biggest events in the calendar for the whole of the hospitality industry, the UKH Christmas Lunch brings together 1,200 industry leaders at Old Billingsgate, London.

To book your place at any of these events, please email [events@ukhospitality.org.uk](mailto:events@ukhospitality.org.uk)