

Home Grown Hotels Ltd

Gender Pay Narrative

Snapshot April 5th 2020

Home Grown

HOTELS

Introduction

Since submitting our gender pay data in 2019, Home Grown Hotels Ltd have continued to focus on fairness, inclusion and opportunity being at the heart of the organisation. We have had a rise in employee numbers with a slight increase in the ratio of females to males. This year we have seen an increase in the gender pay gap from our previously reported lowest gap.

At the point that our snapshot data was taken our business was closed due to the 1st national lockdown. During the periods of closure, we focused on engagement and moral for furloughed employees. The Company provided support to employees who fell outside of the eligibility for furlough, offering the equivalent in pay and terms provided by the furlough scheme.

Scene Setting

As a brand we have a mindset for the delivery of an exceptional guest experience whilst developing and nurturing the exceptional range of talent we have across Home Grown Hotels Ltd.

When the snapshot was taken our business comprised of 6 key operational areas: THE PIG, THE PIG in the wall, THE PIG at Combe, THE PIG on the beach, THE PIG near Bath, THE PIG at Bridge Place. Although we had already recruited a number of new employees for our new hotel THE PIG at Harlyn Bay which was due to open in April 2020. The Management team for the new hotel had started their roles and were able to be furloughed. This opening was of course postponed and many of the new recruits remained in their previous roles for the purposes of furlough. We were pleased to be able to open later in the year and retain most of the recruits we had offered roles to prior to lockdown. Our business continues to grow with an additional hotel opening in 2021.

We care about our people and realise that they are our greatest asset. With this in mind we focus on development and training across the group be that technical or behavioural. We pride ourselves upon being an employer that embraces all within the business regardless of characteristics. Our aim is to attract, coach and develop the best team members and inspire them to deliver the best guest experience. We have invested significantly in apprenticeships and are proud to have won awards for our chef apprenticeship scheme.

Home Grown Hotels understands and recognises that the gender pay reporting is a mandatory implementation in order to encourage greater equality of opportunity in the work place.

The statistics of our gender pay gap report give opportunity to review where we can do more to support gender equality and build an action plan which continues our current program. The Company remains committed to ensure that our People Policies encourage and support flexible working within our organisation whilst the People team actively encourage and support the brands diversity message.

Gender pay gap reporting – An overview

A gender pay gap is a measure of the difference in the average pay of men and women – regardless of the nature of their work – across an entire organisation, business sector, industry or the economy as a whole; it can be driven by the different number of men and women across all roles.

It is different from an equal pay comparison, as this would include direct comparison of a couple of, or groups of, people carrying out the same or similar work.

Mean gender pay gap:

Difference between average hourly earnings of males and females

Median gender pay gap:

Difference between median hourly earnings

Gender bonus gap:

Difference between average bonus earnings

Mean gender bonus gap:

Difference between median bonus earnings

Median gender bonus gap:

Proportion of males and female employees receiving bonus within the 12-month period

Pay quartiles:

An insight into career paths, a pay quartile is made up of 25% of the work force, ranked by pay quartiles are then broken down by gender.

Using the calculation set out in the gender pay gap reporting regulations, we have taken data from our entire group of 600 employees on the snapshot date of the 5th April 2020. This data includes data from many different roles and rates of pay.

Gender Pay Gap - Our results 2020

As of the 5th April 2020, our mean gender pay gap stood at 9.3% with our median gender pay at 4.2%, both of which currently favours males over females despite 53.5% of our workforce being female and males at 46.5%. This is an increase from last year with the 2019 mean being 6.7% and the median being 2.2%. Our mean figure this year is similar to our report of 2018 where the mean was 9%, however the median remains less than the 2018 report of 6.3%. Overall the 2020 year has seen a mean increase of 2.6% and a median increase of 2%.

Mean Pay Difference:

Female £9.83

Male £10.75

Pay Gap 0.92 pence

Median Pay Difference:

Female £8.74

Male £9.10

Pay Gap 0.36 pence

These are both below the national average of 15.5% as reported by the Office of National Statistics, 2020 (Source: Annual Survey of Hours and Earnings, Office for National Statistics).

As a group we continue to look at our ratio of male to female in our kitchens as this has the largest effect on our numbers. Male remains high at 75.9% and females at 24.1%. This is a positive increase for females from 2019 up by 3%. We are continuing to seeing a positive change in the next generation of chefs with 34% of our apprentice chefs being female.

The gap has also been affected by a number of middle management roles being taken by males where they were previously female. These vacancies became available through the original female post holders moving into new (and for most) more senior roles within the Company. Also, within our 'Budding Entrepreneur' management development

program, a number of our employees have successfully passed their course and moved into senior roles, a number of these were male.

Bonus

Our mean bonus gap currently stands at 155% favoring males, with our median bonus gap favoring males at 75%.

Mean Female	Mean Male	Median Female	Median Male
1,624.62	4,148.65	500.00	2,000.00
Mean Gap	155%	Median Gap	75%

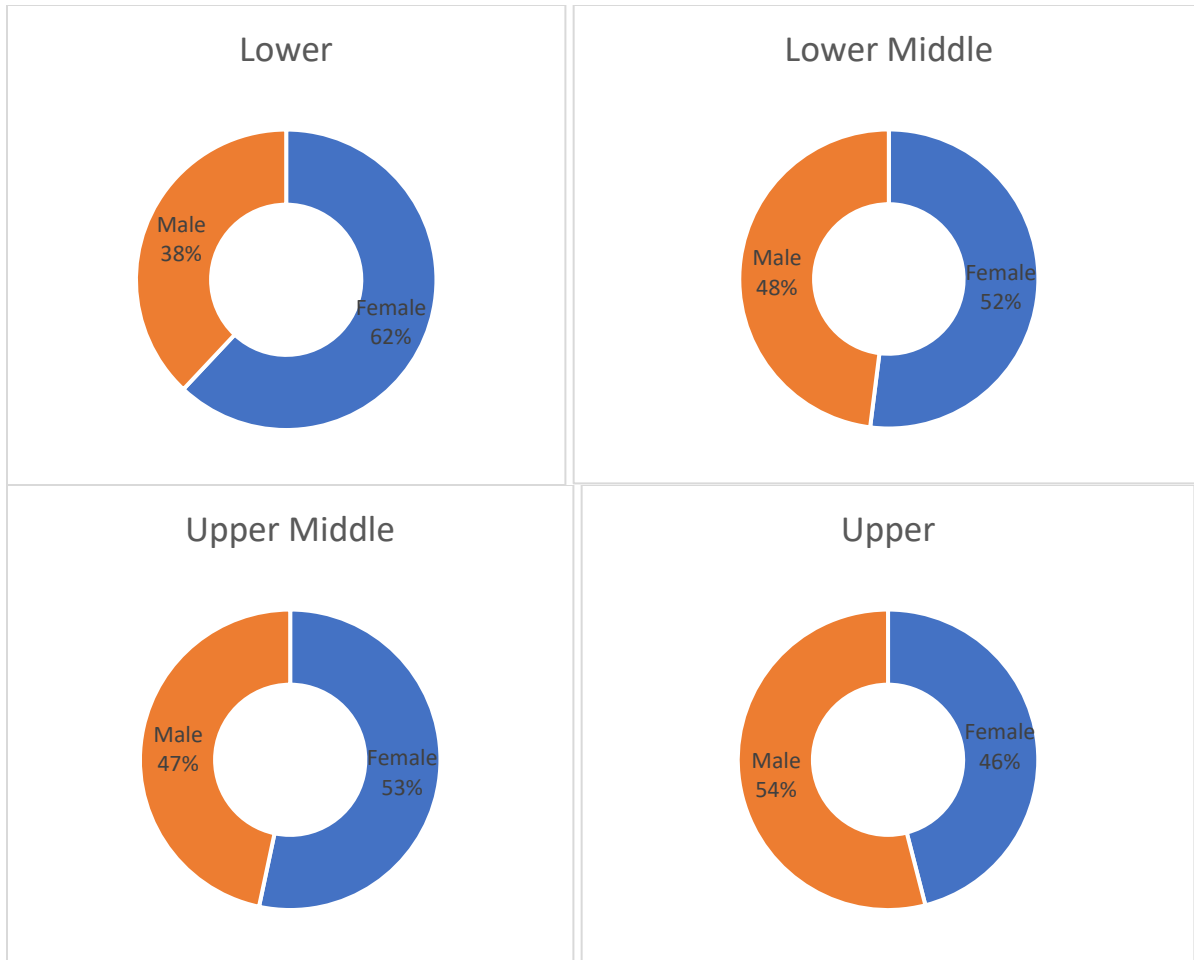
Across the group between 2019-2020, 13 females at 4.2% and 17 males at 6.2% received a bonus. The driver of the bonus gap being our most senior group level positions of Operations Director, Chef Director and all the Hotel Head Chefs are male.

Percentage of people who get bonuses

	Bonuses	Total	%
Female	13	309	4.2%
Male	17	276	6.2%
	<u>30</u>	<u>585</u>	

Quartiles

Our employee gender distribution by quartile, as defined by the regulations, has remained at consistent levels in comparison to 2019. All quartiles apart from lower middle remain at the same percentage splits from the last report, the lower middle quartile has seen a 10% swing in favour of females. Our figures illustrate that female employees have the highest representation in the lower quartiles this is reflective of national statistics where the bulk of part time roles can be found. Our upper middle and upper quartiles have remained consistent in the percentage split, we have maintained the increases and balance on male to female that we had seen over the last 3 years. Only the upper quartile is balanced in favour of male employees at a 54% to 46% split.



As a group we remain focused and committed to hiring the best talent for roles across our organisation. We strive to actively create a mindset where everyone is motivated to progress through innovative People Policies and Practices with management support and encouragement. We accept that this is an ever-evolving task and throughout we recognise the need to actively encourage senior management to reflect the business approach towards diversity.

Closing remarks

This is our fourth year of reporting the gender pay gap, with the challenges of entering lockdown and facing forced business closures we are pleased to have retained an overall positive result. We understand that our actions so far are demonstrating our commitment to closing the gender pay gap. Whilst we acknowledge we have seen a slight increase, we are confident this has genuine reason, we as a Company remain far below the national average. We do however, commit to further explore the numbers identified and continue our promotion of fair pay. The gender pay gap calculation covers 600 team members and we feel this is an accurate reflection of the business as a whole. We are confident that the gap will continue to close whilst maintaining the core mindset of fairly matching the best candidate for the role as opportunity presents, taking into account all aspects of equality and diversity.

Declaration

As Finance Director for Home Grown Hotels Ltd, I, Vikki Jerram, can confirm that the information contained herein is accurate.

A handwritten signature in black ink, appearing to read 'Vikki Jerram', with a long horizontal stroke extending from the top of the 'i'.

Vikki Jerram
Finance Director
Home Grown Hotels Ltd