

# intouch

SUPPORTING YOUR BUSINESS

**PLUS...**

**THE SECRET HISTORY  
OF THE PENFOLDS'  
GRANGE COLLECTION**

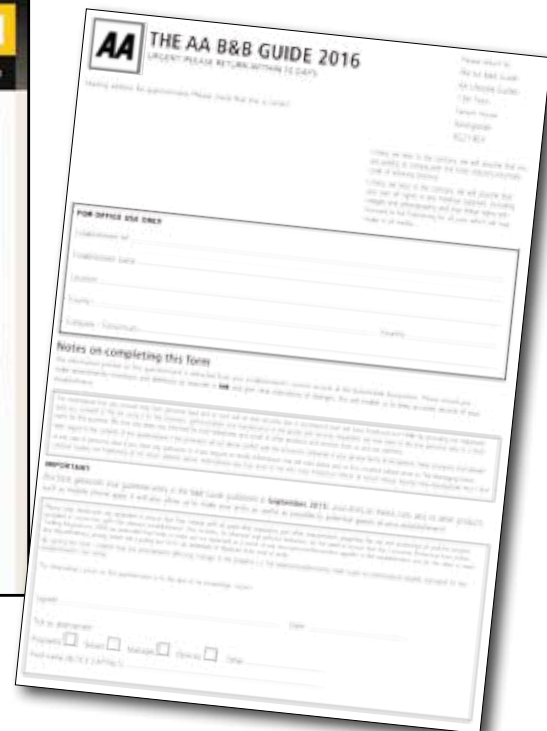
**HOW TO ENGAGE AND  
RETAIN YOUR BEST  
EMPLOYEES**

## TIPPING POINT

**WHEN IT COMES TO GRATUITIES,  
WHOSE MONEY IS IT ANYWAY?**



# Informed...



## Keeping your details up to date

As part of maximizing your exposure both on theAA.com, AA mobile apps and AA printed guides please make sure your information is current and up to date. This can be done easily in the following ways.

### Images

Do you have 5 high quality images like Chewton Glen? All establishments can have 5 images for each entry, images should be landscape and high res preferably in Jpeg format.

- Simply email them to **HotelServicesCustomerSupport@theAA.com**
- Quote your establishment name, postcode and establishment number if you know it.

### Annual Questionnaires

At the beginning of 2015, restaurants, hotels, B&Bs and pubs will receive questionnaires asking them to update the information the AA uses in its annual guides (publishing in September 2015) and on theAA.com.

Questionnaires are sent to restaurants and pubs in early January and B&Bs and hotels in early February.

"We know that readers dislike it when there's missing information, but out-of-date information bothers them even more. If establishments don't return a completed questionnaire, I'm afraid that their latest details will not be printed in our guides or appear on theAA.com," says David Popey, Managing Editor of AA Lifestyle Guides. "The majority of places do return a completed form, but every year, a good proportion of establishments do not return a questionnaire at all".

#### When you receive your questionnaire:

- Read the covering letter and questionnaire carefully
  - Check your details and correct as necessary
  - Pop it back in the post using the reply-paid envelope provided (except for the Republic of Ireland)
  - Make sure you send it back by the required deadline
- Keeping your details up-to-date helps our readers make an informed decision about where they would like to stay or dine. Displaying the latest information can give an establishment the edge over its competitors, so look out for your questionnaire when it arrives in early 2015.

If any of your details change after you have sent in your questionnaires you can update your information any time by contacting us at **HotelServicesCustomerSupport@theAA.com**

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Comments from the AA

**THE CATERER** Comments from The Caterer

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# Welcome notes

The topic of people appears to have dominated most of the hospitality discussions in the industry of late. A clear theme running through the recent Caterer Summit where Harry Murray (Chairman of Lucknam Park) in his key note speech highlighted the importance of career development in order to develop leaders of the future.

At the same conference, in a panel discussion about reviewing and inspecting hotels, I was asked what makes a great place to stay? In my view every place has to have a soul and that can only come from the team of people responsible

for looking after customers and delivering the guest experience.

Finally, as Mark also highlights below, it was great to see Danny Pecorelli, Managing Director of Exclusive Hotels, being named Hotelier of the Year. Once again in his emotional speech, he was quick to acknowledge the importance of people in achieving so much success and nurturing future talent, in his view will be a key challenge ahead for our industry.

I hope you enjoy our last edition of InTouch for 2014, may I wish you and your teams a successful and busy festive period.



**Simon Numphud**  
Head of AA Hotel Services

I'm penning this introduction the day after *The Caterer's* Hotelier of the Year luncheon, at which Exclusive Hotels and Venues' managing director Danny Pecorelli was crowned our 2014 Hotelier of the Year.

Danny's vision of good hotelkeeping is to offer "beautifully situated destinations with personality, flair and innovation, delivered by passionate people who give exceptional service".

His secret to success lies in his understanding that his people are at

the core of everything he does. Great people, exceptional service, passion: these are exactly the qualities we focus upon in this edition of *InTouch*.

In the coming pages, you'll learn how to hold onto your best employees; how Bath's Queensberry hotel brings a five-star attitude to service; and how the team at the Red Lion in Pewsey injects passion into its delivery of food, drinks and accommodation. Prepare to be inspired!



**Mark Lewis**  
Publisher  
*The Caterer*



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**HAVE YOU JOINED YET?**

# TOP HOSPITALITY STORIES

Each week, *The Caterer* and [www.thecaterer.com](http://www.thecaterer.com) bring you the most important news from around the hospitality industry. Here's a selection of stories about AA members from the past three months

## APEX HOTELS TO OPEN £35m BATH HOTEL

Apex Hotels is set to open its first property outside Scotland and London, with the launch of a 177-bedroom hotel in Bath.

The £35m development will see Kingsmead House – described as one of Bath's ugliest buildings – demolished and replaced by a four-star, eight-storey hotel building, in the heart of the city's conservation area.

IS Architects, headed by Ian Springford, the son of Apex Hotels' founder Norman Springford, will oversee the development of the hotel, which is set to open in autumn 2016.

Apex Hotels currently owns and operates eight hotels in London, Edinburgh and Dundee.

The proposed Apex hotel in Bath



## FUTURISTIC-LOOKING HOTEL TO JOIN MONTCALM'S LONDON PORTFOLIO

Montcalm Luxury Hotels London is to open a 269-bedroom, 23-storey hotel in a new, futuristic, angular building in London's Shoreditch next year.

Located in City Road, M by Montcalm will feature a selection of restaurants, the Hoxton Social private members' club, the Sky Lounge rooftop bar, Club lounge, a wellness centre and gym.

M by Montcalm will become the fifth property in the group's London portfolio.

## ATUL KOCHHAR TO TAKE OVER COMPLEAT ANGLER



Atul Kochhar

Michelin-starred chef Atul Kochhar has been confirmed as taking over the new Riverside restaurant at the Macdonald Compleat Angler hotel in Marlow, Buckinghamshire.

The two-AA-rosette, four-AA-red

star, 64-bedroom Macdonald Compleat Angler hotel formerly housed the 40-seat Aubergine restaurant, part of the London Fine Dining Group.

Indian-born Kochhar, whose flagship restaurant is Benares in London's Mayfair, won a Michelin star for his restaurant Tamarind in 2001 and for Benares in 2007.

He runs the restaurant Indian Essence in Petts Wood, Kent, and Ananda in Dublin, and is also a well-known television chef and cookbook author.

## MICHELIN-STARRED LOCANDA LOCATELLI REOPENS

Michelin-starred Italian restaurant Locanda Locatelli has reopened after a three-month refurbishment.

Almost £1m was invested in the London restaurant, which is run by acclaimed chef Giorgio Locatelli and his wife, Plaxy.

The lion's share of the cost was spent on a new kitchen. The restaurant interior has also been refreshed and features two new Damien Hirst paintings.

Launched in 2002, Locanda Locatelli is an independent restaurant in the Hyatt Regency – the Churchill hotel on Seymour Street.

## CEDAR COURT GRAND APPOINTS CRAIG ATCHINSON AS HEAD CHEF

The Cedar Court Grand hotel and spa in York has appointed Craig Atchinson as its new head chef. Atchinson moves from the Talbot hotel in Malton to take up the role.

He replaces Martin Henley, who has taken a similar position at Holdsworth House hotel near Halifax, having been the head chef at the Grand since 2011.

The Cedar Court Grand has two restaurants: Hudson's, which offers familiar dishes "redefined with five-star flair", and HQ, which offers a high-end, fine-dining experience.



Craig Atchinson



Locanda Locatelli

## EAMONN ELLIOTT NAMED ROCKLIFFE HALL CHIEF EXECUTIVE



Rockliffe Hall

Eamonn Elliott, from the Grand Jersey hotel in St Helier, is to join Rockliffe Hall near Darlington as chief executive in December.

The news follows the announcement that managing director Nick Holmes, who has headed the five-red-AA-star, 61-bedroom hotel since it opened in 2009, was leaving. The hotel is owned by Middlesbrough Football Club chairman Steve Gibson.

Prior to the Grand Jersey hotel, Elliot spent eight years as general manager of the Devonshire Arms at Bolton Abbey in North Yorkshire.

He said he looked forward to embracing the challenge of establishing Rockliffe as "one of the top culinary, golfing, spa and hospitality destinations in the UK and Ireland."

Occupancy levels at the hotel have increased from 52% in 2010 to 78% for the period ending June 2014.



# Bromley's Career College for hospitality is open for business



## ABOUT BROMLEY COLLEGE

In September 2014 Bromley College of Further and Higher Education opened the doors of its new and innovative Career College in Hospitality, Food and Enterprise for 14-19 year olds, after being given full approval by the Career Colleges Trust.

It is currently London's first Hospitality, Food and Enterprise Career College and one of only three such colleges in the country. Young people in the borough can train alongside top chefs and learn skills from the very best in the industry while studying for GCSEs in core academic subjects.

The college aims to provide young people with a robust academic education while equipping them with practical skills, all backed by a high-profile team of industry advisors from Hilton, Hyatt, Dorchester Group and Springboard UK.

The college has also attracted patronage from the influential Chris and James Tanner,

who are committed to building talent and supporting high standards in training.

The curriculum is also being developed by a practitioner focus group of industry specialists, who will ensure students have the skills the industry needs. During the first term students will engage in a comprehensive learning and development programme, including training in their own brand-new, industry-standard training kitchen, kitted out with impressive Charvet ranges.

Students have also taken part in Springboard's National Waiter's day and visited the Intercontinental and Grosvenor House hotel in Park Lane for a behind-the-scenes look at the running of a five-star international hotel.

## WHAT WILL BROMLEY COLLEGE ACHIEVE?

Career colleges are designed to give young people real industry experience with an impressive array of industry backing. Students are trained to the highest standards and they

have the chance to develop their culinary skills along with a front of house pathway and an enterprise component to the course.

## FUTURE PLANS?

Work is nearing completion on the brand-new commercial restaurant BR6, which will be open from January. The restaurant, which faces Orpington's market square, has been designed by a leading restaurant designer and is destined to become a go-to venue in the town's major regeneration project, which includes a hotel, multiplex cinema, shops, restaurants and apartments.

The centre will also include a valuable conference venue, providing a meeting space and hospitality for up to 100 people.

An ambitious second and third phase in the development will see the introduction of a café-bar, deli and bakery shop with bistro restaurant area, as well as an al fresco pop-up restaurant area.



## THIS WEEK

Queensberry hotel and  
Olive Tree restaurant, Bath

## WHY?

Winners of the AA Wine  
Award, England and Overall,  
2014-2015

The Olive Tree restaurant has  
maintained three AA rosettes  
for four consecutive years

## FACTS AND STATS

**Average occupancy** 83%

**Number of bedrooms** 29

**Number of staff** 35 full-time

**Average room rate** £145

**Covers** Lunch:  
20 (Friday-Sunday);  
Dinner: 30 midweek,  
60 at weekends

**Average restaurant spend  
per head** Lunch: £49;  
Dinner: £77

**General manager**  
Lauren McCann

**Head chef** Chris Cleghorn

**Head housekeeper**  
Katheryn Lee

# FEATURE ON AWARD-WINNING BATH HOTEL THE QUEENSBERRY

A five-star attitude to service ensures  
this revitalised hotel in Bath achieves full  
occupancy every weekend, says *Leyla Kazim*



The Queensberry hotel considers itself to be one of the most beautiful in Bath. It has been owned by husband and wife team Laurence and Helen Beere since 2003. Master Innholder Laurence started his career in the hospitality industry aged 15, working his way up to operations director of the Clifton Group. When this was sold, he bought the Queensberry with his redundancy package and asked Lauren McCann, now general manager, to join him.

McCann has been in the industry for more than 20 years and has been general manager of the Queensberry hotel since 2007. Her career in hospitality began with an after-school job and went on to include studying at the Cranfield School of Management in 2006 and becoming a St Julian Scholar on the Master Innholder Scholarship Programme.

## TARGET MARKET

The majority of the hotel's business is leisure. Guests are often couples enjoying a break or wanting to hit the shops, with 85% from the UK, mostly from London and the home counties.

Mid-week occupancy rates range between 75% and 90%. Fridays rise to 90%-95%, and almost every Saturday achieves close to 100%. "Weekends are our bread and butter," says McCann.

While corporate guests are the minority, the hotel still ensures its facilities cater for them. "The valet parking is a massive bonus in the centre of Bath, and all the rooms have Wi-Fi

and desks. In a chain hotel you could be anywhere in the world. We're full of character, but we still have all the things our corporate guests enjoy," says McCann.

## HOW DOES IT STAND OUT?

McCann prides herself on the fact her team are from a five-star background. "We approach everything we do as if we're a five-star hotel. From the meet and greet at people's cars to bringing them in and looking after them."

Along with the quality of the rooms and the high standard of the food and beverage, McCann believes it's ultimately the staff that make customers return. "We make sure they have a fantastic experience – nothing is too much trouble," she says.

Once the hotel was acquired by the couple, refurbishment of the Grade II-listed property began immediately and was transformational.

"It was very traditional and chintzy, with lots of china plates on the walls and strange







**“Without your people, however luxurious it may be, your property is just a pile of bricks”**



ornaments,” says McCann. “We ripped everything out and started again. We did it room by room, as well as the restaurant, and it took about 18 months. We brought it up to ‘boutique hotel’ standard, and I would consider we were the first boutique hotel in Bath.”

#### MARKETING

The majority of the marketing budget focuses on the Olive Tree restaurant, thanks to the highly competitive Bath dining scene, with little reserved for the hotel itself. “We have a high level of repeats and a lot of it is word of mouth – TripAdvisor does us great favours, most of the time,” says McCann.

While McCann doesn’t believe that social media platforms such as Twitter and Facebook necessarily bring in business, they have helped with recruitment. “When our head chef tweets pictures of the food, it helps us attract staff. When chefs see what we’re producing, they get in touch,” she says.

The hotel faces the same challenge as every other: trying to get customers to book direct rather than through third parties. “Unfortunately, they’re a necessary evil,” says McCann. Online travel agencies make up 19% of bookings, with 60% via other methods and 21% through the hotel website.

#### BEST BUSINESS ADVICE

Through her experience, McCann has come to understand what’s important to look for when recruiting. “Historically, I’ve focused too

much on skillset,” she explains. “Time has taught me that the things you can’t train are the things you should be looking for. Personality and attitude are the two most important things – you can teach everything else.”

A statement on the Queensberry hotel website reinforces their appreciation of good staff: “Without your people, however luxurious it may be, your property is just a pile of bricks.”

Another thing McCann has learned from a management perspective is to be consistent with both staff and customers, regardless of personal issues.

“If you’re having a bad day, as the manager, people should not be able to see it and worry about coming to you – I think that’s really important,” she says.

#### FUTURE PLANS

Continuing to improve the property is the agenda for the foreseeable future, with a bathroom refurbishment programme just beginning and plans to give the restaurant a facelift next year.

“It’s one of those things that we as staff notice in the restaurant – the fact that it’s looked the same way for 10 to 12 years – but the guests think it looks lovely,” says McCann. “For us, it’s time to inject something new and fresh into it, while at the same time balancing that with money.”

#### SPOTLIGHT ON... THE WINE LIST



The wine list at the Olive Tree restaurant was taken over by Joss Rousanne when he joined as restaurant manager in January 2013.

Rousanne, a Frenchman passionate about wine and with a background in high-end restaurants, uses the tasting menu as an opportunity to constantly showcase new bottles as part of the wine flights.

Instead of the traditional format of a wine list set out by region, the Olive Tree sets its out by characteristic. Lauren McCann says: “‘Green and tangy’ is a section, as is ‘black fruits’. We might ask a guest what they usually drink, find the wine on our pages, and suggest one with similar characteristics. It’s something the AA picked up on and liked.”



INTERVIEW WITH...

# GARY USHER

**Name:** Gary Usher

**Name of Restaurant:** Sticky Walnut

**Position:** Head Chef / Proprietor

**How did you get where you are now?**

Luck

**Who is your greatest inspiration?**

Matt Christmas, Head Chef at Chez Bruce

**What are your top tips for an aspiring chef?**

Shut up, be ridiculously respectful and work harder than everyone else.

**If you weren't a chef, what career would you have chosen?**

Mechanic

**What has been your greatest career achievement to date?**

Still being open after four years.

**What is your favourite ingredient?**

Butter / olive oil

**What would be your 'last super'?**

Beef tartar and chips.

**Where do you eat on your night off?**

We all go to the local curry house after a Saturday night shift.

**You have a large following on Twitter, what benefits does this bring to your restaurant and business?**

I'm not sure whether it benefits the business, but Twitter gives me massive pleasure. I use it more as a form of stress relief than self-promotion.

**You are currently raising funds for a second restaurant, tell us about this - how are you raising funds, what's the second restaurant concept like and where will it be?**



We have used a crowd funding site called Kickstarter to raise £100,000. The response has been overwhelming, and we are so grateful for everyone's support. The next site will be the

same concept as Sticky: a small bistro in a local neighbourhood. The location has not yet been finalised, but we are looking around the North West.

## Oven roast beets, sticky walnuts, spicy pumpkin seeds, fresh ricotta

### Ingredients

A few beetroots

A few more walnuts

Some pumpkin seeds

Fresh ricotta (goats curd is also nice).

Parsley

Balsamic vinegar

Malden sea salt

Demerara sugar

Chillies (diced)

Olive oil

### Method

Roast the beetroots at 160 degrees for 2 hours.

Leave to cool then peel and cut into cubes.

Cook the walnuts by spreading them on a

tray and putting them in the oven for about 6-7 minutes at 160 degrees. Roast the pumpkin seeds in the same way, then mix with diced chilli and olive oil.

Heat the demerara sugar in a large flat pan until it is golden brown, add the walnuts and coat thoroughly. Spread onto a grease proof paper and separate with a wooden spoon. Leave to cool.

Put a handful of beetroot cubes into a bowl, add balsamic vinegar and sea salt to season, then place sporadically onto a plate / board of your choice. Spoon or pipe your cheese onto the plate in small blobs, and place the walnuts on top. Scatter the spiced pumpkin seeds and add some parsley leaves.







SPOTLIGHT ON...

# RED LION

This cosy retreat offers hearty food and luxurious rooms, set against a backdrop of beautiful English countryside



Chef-proprietors Brittany and Guy Manning

This unique countryside retreat has gained a nationwide reputation for providing the best of Wiltshire's food, drink and accommodation, along with a down-to-earth attitude.

The Red Lion, a thatched country pub, is nestled in a small hamlet on the edge of Salisbury Plain in the village of East Chisenbury. As an Area of Outstanding Natural Beauty, with the River Avon running straight through it, is the perfect place for this fantastic foodie hotspot and its smart guesthouse Troutbeck.

Since taking on the pub in 2008, chef-proprietors Guy and Brittany Manning have built a family of passionate and dedicated individuals, who work by the kitchen's motto: "If it's not local, it's not the best". In practicing this they are able to support local suppliers while still featuring the best produce from around the world; the result is an ingredient-led menu full of hearty, unpretentious fare, executed with skill and finesse, from the bar snacks to the tasting menu.

The food is complemented by an extensive selection of hand-picked drinks, including a thoughtful wine list, Cask Marque-approved ales and not-so-well-known aperitifs, whiskies and spirits.

The addition in 2012 of the Troutbeck Guest House was all it took to complete the rural country experience that is the Red Lion. The converted bungalow sits on the bank of the River Avon and each of the five exquisite bedrooms have private decks to enjoy uninterrupted country views.

Each bedroom is well-appointed, including Somnus beds, Bang & Olufsen TVs and hand-made, organic toiletries. Most importantly, it is a place where you will feel at home.

This polished country retreat offers the blissful peace and quiet you would expect, but in its fixtures, fittings – and the odd quirky surprise – it also echoes the same principals and

attention to detail that the team implements at the Red Lion pub.

The team have worked hard to earn three AA rosettes and five stars, plus a Gold award for accommodation, but they proudly insist on remaining... a pub. You won't find tablecloths, or 'yes madames', but you will find plenty of smiles and family warmth. Bring your partner, bring your kids, bring your dog – everyone is welcome and, more importantly, everyone is well looked-after.

**"You won't find tablecloths, or 'yes madames', but you will find plenty of smiles and family warmth"**



# TIPPING POINT

Confusion still reigns over service charges and tipping – is it better to have a compulsory or discretionary service charge, and how useful are the government guidelines on tipping conventions? *Elly Earls* reports

Speaking in the House of Commons in September, minister Andrew Percy said there was too much confusion over the restaurant industry's current position related to tipping and "widespread abuse" of a 2009 voluntary code of best practice, which recommends that restaurants are transparent about their tipping policies. Many in the industry, he believes, are "creaming off tips" or service charges meant for staff, while diners remain in the dark about where their money is going.

But restaurateurs and industry commentators think his proposed solution (a new law mandating, among other things, that waiters and kitchen staff decide how tips are shared out) would do more harm than good. They feel that, while tipping conventions could be clearer in the UK and increased transparency would only be a positive development for the industry, the current situation is nowhere near as dire as Percy has so vehemently claimed.

"People can get confused in the UK," admits Martin Couchman, deputy chief executive of the British Hospitality Association (BHA).

"You can have compulsory service charge, voluntary service charge, no service charge at

all or an arrangement where you leave cash on the table; there's nothing standard in this country. However, I'm pretty sure that in most restaurants that have a service charge, most of the money will be finding its way to employees. Of course, we have no means of proving that as we don't have the data."

Peter Davies, employment tax director at accountancy, tax and corporate finance firm WMT, where he specialises in advising hospitality businesses, agrees. "There are always going to be some businesses that will push the envelope, but certainly the overwhelming majority of businesses that I'm aware of don't 'cream off' tips or service charges; they seek to cover their costs and nothing more," he says.

Indeed, standard practice in restaurants sees 5%-10% of service charge (which is usually 12.5% of the bill, and is often compulsory in London, but rarely outside the capital) and tips go on administration fees to cover credit card and bank charges, payroll costs and credit card fraud. "There are good reasons for some deductions being made to cover those costs," Couchman says.

After administration fees have been ►





ILLUSTRATION BY PATRICK BOYER

## BEST PRACTICE TIPPING PROCEDURE



In 2009, the British Hospitality Association released a code of practice on discretionary tips and service charges, designed to both educate restaurateurs on current conventions by answering commonly asked questions and ensure they understand the importance of customers knowing where their money is going. Here are the key questions:

### What is discretionary service charge?

This is a payment suggested by the restaurant, which the customer is totally free to make or not. The payment is made to the restaurant (or similar establishment) by cash, card or cheque. It is not a cash tip.

### What are tips and gratuities?

These are additional payments given by the customer over and above the amount of the bill and any discretionary service charge. They fall into two categories: cash tips, given to an individual employee, or non-cash tips, being additions to the amount on the bill and paid to the restaurant, whether by card or cheque.

### How should cash tips be dealt with?

Cash tips are payments given directly by customers to individual employees. Any arrangement for sharing cash tips among employees should be in accordance with their wishes. The restaurant owner will not be involved in this process. It is the responsibility of the employees receiving such cash tips to make proper disclosure to HM Revenue and Customs and to account for income tax in respect of these earnings.

**What deductions may be made from discretionary service charge or non-cash tips paid to the restaurant before they are made available for allocation to employees?**

There is no legal requirement for the restaurant to allocate a particular proportion of the service charge or tip income to employees. However, a deduction for costs incurred in handling these sums would cover credit card and banking charges, payroll processing costs, and the average costs of credit card fraud.

The level of costs deducted will vary, depending on the nature of the business. Any deductions made by the restaurant over and above those for these costs should be disclosed to customers as part of the disclosure process.

### How should discretionary service charge and non-cash tips be paid out?

Where discretionary service charge and non-cash tips are paid to employees by the restaurant, they are most commonly paid from the restaurant's bank account, with income tax deducted under PAYE. The broad process for distribution of these amounts should be disclosed to customers as part of the disclosure process.

### What disclosure should be made?

Restaurants should disclose to customers how they deal with discretionary service charges and non-cash tips, at least by a written note available for inspection at each restaurant and on the restaurant's website, if there is one. The disclosure should cover:

- Whether an amount is deducted for handling costs (and how much)
- How the remainder is shared between the restaurant and the employees
- The broad process for distribution – for example, that they are shared between the employees in the restaurant through a system controlled by a representative of the employees.

deducted, most operators, according to Davies, will then divide up the remaining tips and service charges among the staff through a tronc system, which is a central pool of funds, administered by an independent 'tronicmaster', usually a restaurant's manager or assistant manager. The only stipulation is that the tronicmaster can't be a director of the business.

Not only does this have tax benefits, as tips that go through a properly run tronc system are exempt from national insurance, it also rewards staff loyalty and means that all employees know where they stand.

"It goes one step beyond throwing the money into the hand of the person who's served you; it rewards the team and rewards seniority and longevity," says David Moore, co-owner of Michelin-starred restaurant Pied à Terre in London, where a small percentage of tips are taken to cover bank charges and other administration costs, and the rest of the money is divided up via a tronc system.

**"Our view is that beyond handling costs, the restaurant ought to tell the public what's happening"**

**Martin Couchman, BHA**

At London Thai restaurant chain Rosa's, which has a 12.5% mandatory service charge, a similar system is used. "We use software to manage the tronc; it makes it easy to divvy up the money and it's fair," says co-founder and managing director Alex Moore. "The manager grades the tips on experience and input, giving slightly more to the more experienced staff."

But while staff might know where they stand at restaurants where a tronc system is used, do the customers? According to Percy, more often than not, no. "Consumers often do not know whether charges on a bill are mandatory or discretionary. They often have no idea of how much, if anything, the employee will actually receive," he said in the House of Commons in September.

And Couchman tends to agree. He believes that while most restaurant chains do provide customers with the relevant information about service charges and tips, including how they are shared among staff, many independents probably don't. "This is simply because they're probably not aware of the code, whereas the chains generally are aware of it," he says.

### SECRET CODE

The code Couchman is referring to is the 2009 BHA Code of Practice on Discretionary Tips & Service Charges, which was released to encourage transparency across the restaurant industry. It not only explains the differences between discretionary service charges, tips



and gratuities and how each should be dealt with, it also recommends that restaurants disclose whether an amount is deducted for handling costs and how much, how the remainder is shared between the restaurant and its employees, and the broad process for the distribution of this money.

This is a different voluntary code to the one that Percy referred to in the House of Commons, which covered sectors including hairdressing and taxis on top of restaurants, but the broad intention of both is the same.

“Overall, our view is that beyond handling costs, the restaurant or restaurant chain ought to tell the public what’s happening,” Couchman says.

David Moore, whose restaurant’s tipping policy is explained on the menu, adds: “Customers need to know where the money is going; it gives them a better sense of security when they’re leaving a tip. They don’t want to leave 12.5% on a bill just for it to go to the bottom line of the restaurant.”

But would a new law setting out a clear process for the distribution of tips, giving staff more power over how tips are shared and mandating that restaurants display their tipping policy, as Percy has suggested, really improve the current situation?

David Moore thinks not. And Alex Moore, who also displays his restaurants’ tipping policy on both menus and customers’ bills, agrees

## “The European Court has already ruled that this money belongs to the business and it’s up to them what to do with it”

**Peter Davies, WMT**

that not only would this be going against the current government’s promise to have less regulation by the end of its term than at the beginning, it would be very difficult to police.

Moreover, adds Davies, it might not be possible anyway. “From a legal perspective, the European Court has already ruled that this money belongs to the business and it’s up to them what to do with it,” he explains.


So, what about changing the system entirely – for example, by eliminating service charges, adding an appropriate percentage to dishes and paying staff accordingly? This, Davies

explains, would bring significant extra taxation costs (national insurance and VAT) meaning that more than half of the price increase would disappear in tax. If businesses and staff couldn’t afford to absorb these tax costs, this would mean diners paying up to an additional 9.5% on top of the 12.5% paid at present.

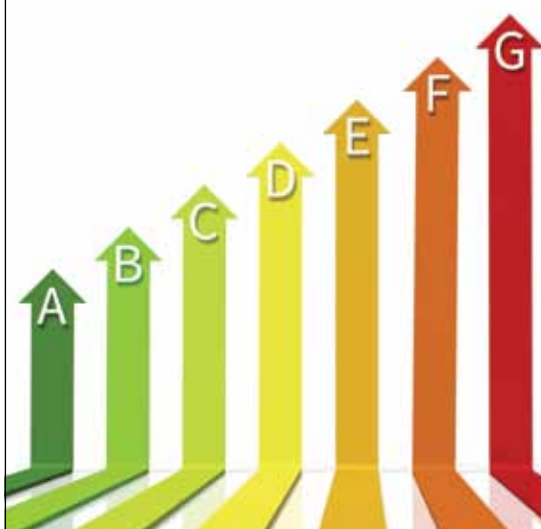
Adds Couchman, there is anecdotal evidence from countries that operate an all-inclusive system, rather than a tipping system, such as Belgium, France and Italy, that service standards have declined because there is no incentive to improve performance. “That’s obviously an anecdotal point, but it’s a point that a lot of people make,” he stresses.

Clearly, the UK’s system for tipping and service charges isn’t perfect, and there’s certainly a general consensus that transparency could be improved. But, Davies emphasises that new laws are not the way forward. “We already have far too many laws; there has to be encouragement from within the industry, explaining that giving customers that reassurance is not only the right thing to do, it’s actually good for business because customers are happier,” he says.

And the BHA is certainly on the case. “We want customers to be able to make rational decisions,” Couchman notes. “And we will only be happy that we’ve succeeded [with the BHA’s code of practice] if every restaurant tells the customers what’s happening to the money from service charges, tips and gratuities.”



DEFINING GUEST EXPERIENCE SINCE 1942



Reducing energy consumption is top of most hoteliers’ priorities, and with the European Union considering restrictions on high-wattage electrical appliances, the products found in the hotel bedroom are increasingly in the spotlight. These items can make a real difference to year-end profitability, as well as to the guests’ impressions of the hotel, so when buying it is important to consider a number of factors.

With John Hurst, managing director of Northmace & Hendon, we take a look at some items commonly found in the hotel bedroom and consider how certain features can assist in reducing energy consumption.

**Hotel bedroom safety irons** “Not only will a hotel-specific safety iron provide the guest with a safe, attractive and reliable way of ironing, but the safety features also make it energy efficient. All our irons are equipped with an auto-off timer. This means that, when vertical, the iron will turn off after eight minutes and when horizontal after only 30 seconds. While this delivers peace of mind for the hotelier, it also ensures the irons will not use up valuable energy when plugged in but not being used.”

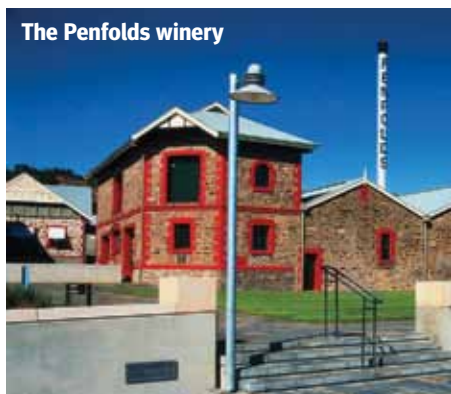
**Hotel safety hairdryers** “A hairdryer designed for hotel use should have an on/off trigger switch. This means the dryer cannot be left on when guests leave the room and makes it more challenging for a guest to dry their wet clothes or shoes after a day out in autumnal Britain.”

**Hotel safety kettles** “Guests will automatically fill a kettle to between 60% and 80% of its capacity. Ensure that the kettles in your hotel bedrooms are 1 litre or less to keep energy consumption low.

Northmace & Hendon are designers and manufacturers of professional hotel bedroom products. [www.northmace.com](http://www.northmace.com)

# GRAND AMBITION

Penfolds' Grange collection, a range of superlative wines, started life hidden in a secret cellar. *Roger Jones* of the Harrow at Little Bedwyn relates a truly fascinating history



Penfolds is Australia's oldest iconic wine brand, founded in 1844, just eight years after the foundation of South Australia. It was created by Christopher Rawson Penfold, a physician, together with his wife Mary, who originally established a business making sherry and port-style wines as tonics for Penfold's patients.

October saw the highly anticipated launch of Grange 2010 and the Penfolds Collection. A rare preview hosted by chief winemaker Peter Gago in London in September gave critics the chance to try these prestigious and wonderful wines.

While Penfolds Grange sits proudly at the top of the collection, there are quality wines to suit all pockets.

## PENFOLDS GRANGE

The story of Grange is an intriguing tale of one man's vision against all the odds. In the latter part of 1949 Penfolds' head winemaker Max Schubert was sent to France and Spain to investigate sherry-making practices and the production of port. On a side trip to Bordeaux, he visited many of the great estates, such as Château Lafite Rothschild, Château Latour and Château Margaux, where he enjoyed the "rare opportunity of tasting and evaluating Bordeaux wines aged between 40 and 50 years old".

It was an opportunity that would change the course of Australian wine. Inspired and impressed, Schubert dreamed of making "something different and lasting", and returned to Adelaide to start developing his own first growth.

The commercial release of 1952 Grange Hermitage (as it was then known) was an historic moment for Australian wine. It marked



the beginning of a 'dynasty of wines' that would capture the imagination of the Australian wine consumer.

However, in 1957, Schubert was asked to show his efforts in Sydney to Penfolds' top management, invited wine identities and personal friends of the board. To his horror and humiliation, the Grange experiment was universally disliked, and further tastings in Adelaide resulted in further negative opinion. One critic observed: "Schubert, I congratulate you. A very good, dry port, which no one in their right mind will buy – let alone drink."

Embarrassed, angry and dejected, Max Schubert's ambitions to make a great wine that Australians would be proud of were completely destroyed. Grange was dead. However, the good fortune of distance between senior management in Sydney and winemakers in Adelaide at some 1,400km apart saved Grange.

With the help of Magill's assistant general manager Jeffrey Penfold Hyland and Schubert's team of winemakers, the experimental Grange was hidden in the cellars of Magill. Max Schubert continued to source fruit and

make his experiments in secret and, from 1957 to 1959, the hidden Granges were made without the knowledge of the Penfolds' board.

Friends and associates were occasionally brought in to taste the wines and some bottles were even given away. News was filtering out about Schubert's unique Grange Hermitage.

A second tasting with the same board members was organised of the 1951 and 1955 vintages, both with bottle age development, and were greeted with great enthusiasm. The 1955 went on to have a very successful wine show career. The Penfolds' board ordered production of Grange to restart, just in time for the 1960 vintage.

## SIXTY YEARS, FOUR WINEMAKERS

Key to the success of Grange has been a lineage of visionary winemakers. Penfolds' mastercraft winemaking and superb range of wines have been steadily refined and improved with each of Schubert's successors. Don Ditter, John Duval and current chief winemaker Peter Gago have been the custodians of a rich tradition that goes back 170 years.



## “From 1957 to 1959, the ‘hidden Granges’ were made without the knowledge of the Penfolds’ board”

### TASTING TIP

When tasting a young Chardonnay or a white Burgundy which may need ageing, try having a nibble on some mature cheddar cheese. It will lift the wine and increase the taste sensation.



Don Ditter, who joined Penfolds as a laboratory assistant in 1942, was appointed Schubert's successor when Schubert retired in 1975. Ditter's contribution to the Grange style is immeasurable. His technical eye for detail and gentle collaborative approach to management took Grange into the modern era and included a major overhaul of vineyard management.

Under Ditter's leadership, the Grange style was improved with fresher aromas, more richness and ripeness of fruit. The 1986 vintage – Ditter's last – is generally regarded as one of the greatest Grange vintages of all time.

His successor John Duval was appointed Penfolds' chief winemaker at a very young age, yet his contribution to the evolution of Grange has been critical. His stewardship saw some of the greatest developments and innovations in viticulture and winemaking, including Penfolds White Grange project and the launch of Yattarna and Reserve Bin Chardonnays.

In 2002 John Duval stepped down to be replaced by Peter Gago, whose 2008 vintage achieved a perfect 100 in both *The Wine Spectator* and *The Wine Advocate*.

## PENFOLDS GREATS

### RED WINES

#### Penfolds Grange 2010

At 96% Shiraz and 4% Cabernet, you will need to wait at least four years before this wine starts to evolve, but it will continue to excel for 40 years. This is a dark, dense wine with meaty flavours of dark chocolate, quince and bright blueberries.

#### Bin 707 Cabernet Sauvignon 2012

Bin 707 is only produced in exceptional years – it is a big wine in every way. It is already a pleasure to drink and will evolve over the next 25 years. It has essence of Chinese cuisine, such as soy, hoisin and spices on the nose, moving on to liquorice, chocolate fondant and black fruit.

#### RWT Barossa Valley Shiraz 2012

This is different to Grange in that all the grapes are sourced from one region (Barossa) and matured in French oak as opposed to American. It's opulent and fleshy, with sweet fruit, a velvety finish and lots of meaty content.

#### Magill Estate Shiraz 2012

This single-vineyard wine from the Magill estate is linked back to the beginning of Penfolds in

Adelaide. It is quite a masculine wine with cigar, leather and violets. A wine to age.

### Affordable reds

Try Kalima Bin 28 Shiraz 2012 with its cherry, almonds, milk chocolate and spices; Bin 8 Cabernet Shiraz 2012; Bin 2 Shiraz Mourvedre 2012; and Bin 407 Cabernet Sauvignon 2012.

### WHITE WINES

#### Yattarna Chardonnay 2012

This wine has grapes sourced from Tasmania, Henty and Adelaide Hills. It's all about refinement and control with white peaches, grapefruit and nutty cashews. It's creamy, but with great freshness and acidity.

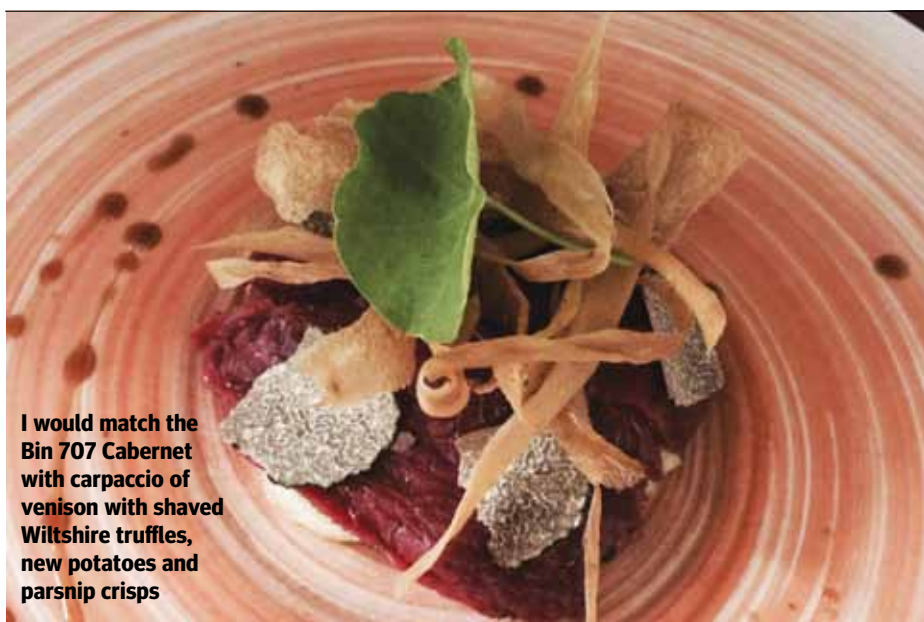
#### Reserve Bin A 2013 Adelaide Hills Chardonnay

Although not in the same price bracket as the Yattarna, the Bin A stable regularly wins top awards. Think citrus and lemon sherbet, white peaches and nectarines; it's youthful and exciting.

#### Bin 51 Eden Valley Riesling 2014

This has lychees and a soft floral nose with lime sorbet and a great freshness. An easy drinking wine suitable for an aperitif and great value at £12. Try ageing for a few years to create something special.

## FOOD MATCH



I would match the Bin 707 Cabernet with carpaccio of venison with shaved Wiltshire truffles, new potatoes and parsnip crisps

# How to... ...KEEP YOUR BEST E

The economy is now moving, but unfortunately so are your people. *Jon Reed* of Purple Cubed gives his tips on how to retain your best talent



**T**he economy is picking up, more hotels and restaurants are opening and the hospitality sector is flourishing. However, along with this success comes the risk of losing your best people.

Last month, results from the inaugural Best Places to Work in Hospitality awards, created by *The Caterer* and Purple Cubed, found that a third of hospitality employees are ready to leave their employer right now. This is a worrying statistic. New research from the Chartered Institute of Personnel and Development estimates the average cost of replacing an employee at almost £5,000, based on both direct and indirect costs of departure. And this figure can be at least 10 times that for a senior employee.

Although it is somewhat an overused phrase, our people are our greatest asset – but they are also our greatest cost. Add in the average increase in pay for an employee when they join a new organisation to be in the region of 10%-20% and, unfortunately, employers have a challenge on their hands.

However, it has been found by numerous studies that salary is not the ultimate driver. To retain staff, employers must tap into and deliver the innate drivers of employee motivation: inspiring leadership, open communication, opportunities to develop, shared values, and a clear career path. There are many innovative ways to incorporate these into your people strategy, and opposite we outline just three.

You can also take advice from this year's



# EMPLOYEES

## THREE WAYS TO KEEP STAFF HAPPY



Best Employer Catey award winner, Mike Williams, people development director at De Vere Hotels and Village Urban Resorts. In a video clip he explains how he not only helped grow EBITDA by £3m, but saw almost a £1m saving through reduced recruitment spend, increased engagement and halving his labour turnover. Go to <http://bit.ly/ZT9Bx7> to watch the video.

**Jon Reed is operations director at Purple Cubed, which helps grow organisations through a contemporary, results-driven HR strategy, delivered through cutting-edge technology and highly engaged people. For more information, contact [sally@purplecubed.com](mailto:sally@purplecubed.com)**

**“Our people are our greatest asset – but they are also our greatest cost”**

### 1 Get under their skin

By far the best way to retain people is to get to know them – what they are thinking, feeling and working towards. However, people engagement trends continue to highlight communication as the number-one employee frustration.

So although it may seem common sense, businesses must make a greater effort to talk and listen to their people and then act on the feedback they are given. It's like the old adage: if you don't ask, you don't get. Well, if you don't ask, you won't know, and they'll leave. If people can easily tell you their challenges, you will be able to fix them. If they can't, then you won't, and you'll lose some incredible talent.

Are you providing ample opportunity for employees to offer their thoughts, views and ideas? Do you know whether their needs are being met? Do they receive enough communication from the organisation? Are they happy?

If you don't know the answers to these questions, it's time to review your communication channels and the way you use them. Employee opinion surveys, performance reviews and one-to-ones all provide an easy opportunity to get under the skin of your people. This small act can, in the longer term, be more powerful than any other retention initiative.

### 2 Give back to the community

As work and personal lives increasingly converge, there is a growing desire among employees to derive a greater purpose from their work. Employees are demanding the opportunity to make a meaningful contribution and, as a result, they are actively searching out employers who make a difference.

Corporate social responsibility (CSR) has therefore become a popular retention strategy. Whether that's naming Hospitality Action as your charity of the year, cleaning up the River Thames or giving your team a day a year to spend in their community.

Not only has CSR been found to satisfy the motivational desires

of high-potential employees, it can be cost-effective too – not-for-profit organisation Net Impact found 45% of employees would take a 15% pay cut for a job that helped them make a social impact.

If you are yet to create a CSR policy, first decide what it means to your business. Ask your people to help you define it and ensure it links to your values and culture. Then agree what it will involve – whether it's a company-led initiative or giving time to individuals to support their own personal causes – and set clear guidelines around the 'how'.

It's important to be realistic about your chosen activity, otherwise you run the risk of disengaging people. For example, Whitbread may have the means to create a £7.5m charity pot to fund the development of a clinical wing at Great Ormond Street, but it's unlikely that John's Fish 'n' Chip Shop would be able to. Start simple and then build. Looking at local community initiatives is a good starting point. And don't forget to communicate to your people – what's happening, how they can get involved and the successes so far.

### 3 Hire right first time

Retaining someone starts from recruitment. If you don't hire the right person first time, it will always be a battle to engage and keep them. It's vital that those doing the hiring understand exactly who you are as a business and what you stand for – your culture and values.

Once deemed a fluffy HR term, 'values' are now a fundamental part of a successful business. This information is your secret weapon, so put it in job adverts, add it to your website and ask questions about values in interviews.

Check that an individual's personal values are aligned to those of the organisation – usually if something isn't right, it's down to a values-clash. Ask yourself, 'Would I go for a coffee with this person?' If they were hired by someone else, how would we feel? – if the answer is yes and you would be devastated, you've found your person.



# BRIGHT IDEAS FROM BEACON TO LIGHT YOUR VENUE BRILLIANTLY WITH LEDs



Lighting is more important to hospitality businesses than ever before, and the type of lighting you choose can make a huge difference to how guests view your venue.

Since 2009, European regulations have banned the sale of incandescent lights for households in the UK. And as the nights are drawing in, Beacon is urging businesses to consider switching to LED lighting.

LEDs can reduce energy consumption while maintaining a high-quality lighting design. To make the most of LEDs, Beacon is

offering free lighting audits to hospitality businesses in partnership with suppliers City Electrical Factors and Mico Lighting.

Liz Snowball, consumables buyer at Beacon, has compiled her top three tips for lighting your venue with LEDs.

## 1 CALCULATE THE SAVINGS FOR YOUR BUSINESS

"The thought of changing every single light bulb or fitting within your business can sound unachievable and time-consuming, but I always recommend that you should at least calculate what your cost saving could be.

"We at Beacon are such advocates of LED lighting that we have recently installed a LED solution in our biggest department at our

head office. The whole area was re-wired and re-lamped with 88 fittings in just one weekend, with no disruption to our staff, and we are already seeing a 20% decrease in our energy bills."

## 2 CONSIDER COLOUR

"LEDs are not only great for energy consumption – and therefore costs – but they also offer many options when it comes to colour. From reds and blues to different shades of white, LEDs offer a lot of choice.

"For example, in spa areas where guests want to relax, the lighting needs to be soft, indirect and coloured. Light blue-green lighting will project a feeling of tranquillity, while a brilliant turquoise will be more exciting

to the eye, giving the impression of a lush tropical ocean setting."

## 3 LOCATION, LOCATION, LOCATION

"Lighting has to be considered for all the areas of your business – the lighting in the lobby or corridor of your hotel will not be the same as the lighting you choose for your guest bedrooms.

"Choosing a warm white LED for your hotel bedrooms will give a cosy feel for your guests, whereas a brighter light in the corridors can help them find their way around more easily."

**To claim your free lighting audit, email Beacon on [all@beaconpurchasing.co.uk](mailto:all@beaconpurchasing.co.uk), visit [www.beaconpurchasing.co.uk](http://www.beaconpurchasing.co.uk) or call 01904 695 588**



# THE BEST EMPLOYERS IN HOSPITALITY KNOW THAT EMPLOYEE ENGAGEMENT MATTERS



In September this year, some of the largest hospitality employers in the UK gathered at Lancaster London to attend Caterer.com's Best Employers in Hospitality Awards 2014. The 17 category winners from across all sectors, announced by TV personality Sue Perkins, included hotel category winners Summit Hotels, Nadler Hotels, Deer Park Country House Hotel and The Rezidor Hotel Group, with the coveted No1 Best Employer in Hospitality 2014 Award going to Urban Leisure Group.

## 9,000 hospitality employees give their opinion

Now in their fourth successful year, Caterer.com's Best Employers in Hospitality Awards are the only established, recognised and free to enter employer awards in the hospitality industry. The

awards are judged solely on employee responses to an online engagement survey provided by engagement experts People Insight. Hundreds of employers entered the awards and almost 9,000 employees completed the survey, with 60 employers from across all sectors gaining an engagement score high enough to allow them into the Top 60.

## Results show all hospitality sectors offer enjoyable and rewarding careers

People Insight Managing Director Tom Debenham said the results proved that the hospitality sector had revolutionised the way it treated its workforce.

"Everyone knows that the hospitality industry has unique pressures such as a young workforce, high staff turnover, awkward shift patterns and a pressurised atmosphere but the survey results show that the shortlisted employers are doing something tangible to

make it a more attractive, rewarding and engaging career," Tom explained.

All of these are key drivers of engagement; meaning employers need to focus on them to give them the best chance of retaining a loyal, productive workforce who go the extra mile in their day to day roles. Everyone on the shortlist has shown that the hospitality sector is on an upward curve."

## Why employee engagement matters

Neil Pattison, Sales Director of Caterer.com, commented on why it matters to be a best employer as the economy continues to improve:

"The best employers understand how much employee engagement matters and why. They are the ones who really consider their employees and work hard to develop and motivate them, and this is reflected in their customer satisfaction levels,

employee retention and overall business success.

"But as the economy continues to improve, employers are finding it increasingly difficult to hold on to their top talent. At Caterer.com we are seeing clear evidence of this. In October, jobseekers viewed 2.1 million Job details pages on Caterer.com (a 13% increase year on year), 12,500 new CVs were added to our searchable database and the site delivered an average of 24 applications per job. There are almost 14,000 jobs on the site today.

**For a full list of winners and a Top 60 plus more information on Caterer.com's Best Employers in Hospitality, visit [www.bestemployersinhospitality.com](http://www.bestemployersinhospitality.com) or email [kathy.dyball@totaljobsgroup.com](mailto:kathy.dyball@totaljobsgroup.com)**



# THE BALVENIE

The Balvenie is a unique range of single malts created by David Stewart, The Balvenie malt master. Each expression has an individual taste, yet all are rich, luxuriously smooth and underpinned by a beautiful honeyed character.

It is this distinctive character that has drawn the attention of Michelin-starred chefs. This year alone saw renowned chef Michel Roux Jr create The Balvenie whisky sauce for his tender and delicious dish of braised pork cheeks and soft cheese polenta served at the Taste of London Festival. Additionally, Tom Kerridge paired The Balvenie Caribbean 14 year old with his stunning culinary dessert at the AA Hospitality Awards.

The Balvenie UK Ambassador James Buntin said: "I think it's really exciting that celebrated chefs are pairing The Balvenie with food, as well as using it to cook with. It is a pleasure to see the passion they have for flavours, as well as a shared philosophy of taking a grain-to-glass approach. The upmost care is taken at each stage, which is something that's so important to us at the distillery."

The Balvenie is the only whisky distillery in Scotland to employ five traditional crafts in making a single malt Scotch whisky. It still grows its own barley, has its own traditional floor maltings, a coppersmith to tend the stills, coopers to mend the casks and the industry's most experienced malt master, David Stewart.



TEMPLESPA



## IS YOUR BUSINESS A RARE FIND?

Your guests expect more these days, don't they? They long for some luxury me-time and crave those little feelgood factors. They yearn for the stress to drop off a little, to be looked after and leave their cares for a while. That's what they quietly desire from you.

But it takes a savvy business to recognise that. And it takes insight to know that SPA is the new entertainment and perhaps the secret weapon you've been looking for.

We love helping make your guest's dreams come true. Our 'secret weapon' is a range of five star skincare, gorgeous aromatherapy products and divine spa treatments – all stamped with our unique 'spa wherever you are' ethos. After all, we are a total spa-lifestyle brand.

You'll find us in places where your guests like to go: high-end stores such as Harrods and Selfridges London, premium spas, Harley street clinics, first class airlines, resorts and boutique & five-star hotels. We are a niche brand that is a unique and rare find, and guests love that. They love to feel they've discovered something.

So if you are seeking some fresh, creative perspective and style, or some inspiration to set your business apart, talk to us. We can help transform your guest journey into a virtual spa experience.

We have been called the 'brand to be found' – we'd love to help make that true of you as well.

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