

2011 UK Salary Survey

The **UK Provincial** hotel market continues to face challenging conditions resulting in no real revenue growth in 2011, combined with increasing costs. The provincial full-service hotel market is set for challenging market conditions as inflation and the VAT increase will continue to impact consumer spending throughout 2011. Forecasts see zero growth in occupancy performance and a marginal increase in average room rates. The impact of tax increases and the rising cost of living on the consumer could result in a decrease in achieved leisure market sector room rate in the UK provinces.

Corporate and leisure clientele that are on restricted and prudent budgets are seeking greater value for money. The growth of the budget sector combined with current market conditions has intensified competition, particularly in the mid-market. Tempered revenue performance combined with increasing operating costs is likely to result in continued Gross Operating Profit decline for 2011.

Forecasts for **the London** full-service hotel market are that they will continue to increase room rates to the leisure and commercial markets, whilst occupancy will remain relatively stable, with room for marginal growth. London hotels have experienced a significant increase in occupancy and average room rate performance, sustained throughout the year by an increase in corporate demand and events. In the first quarter of 2011, occupancy dipped, with London hoteliers pursuing a rate growth strategy to commercial and leisure markets, enhancing the London market average RevPAR performance. Whilst hoteliers continue to raise room rates in the capital, the value of additional discretionary spend on non-room related services including food and beverage and leisure services is declining.

In current market conditions where there are challenges for hoteliers to control operating costs such as payroll, due to the increase in National Insurance contributions, and other hotel supply chain costs which have increased in the current inflationary climate, profit growth is likely to be restrained. Average salaries in the UK hospitality industry in 2011 and the number of jobs available in the last quarter have remained stable, yet market remains fragile and more needs to be done to ensure sustainable UK hospitality growth for the future.

UK budget hotels open at more than one a week

With a new hotel opening at a rate of more than one a week, branded budget hotels remain the most dynamic segment of the UK hotel industry, according to the latest report from HotStats and published by Hotel Analyst newsletter.

During 2010, a total of 54 hotels were added to the branded budget supply in the UK with 5,446 new rooms coming on stream, figures from Budget Hotels 2011 UK reveals.

The market remains dominated by two players with Premier Inn remaining the biggest brand with a 37% share by rooms and Travelodge having almost 27%. Travelodge was the fastest

growing in the past year, however, and added 3,833 rooms compared to Premier Inn's 1,043.

The third biggest brand in the UK, Holiday Inn Express, fell further behind the biggest two players by adding just 540 rooms. Express has a market share of just over 11% in rooms terms.

Revenue per available room (RevPAR) for branded budget hotels improved by 4.7% during the year, driven entirely by improved occupancy which rose 3.9 percentage points to 71.6%. Average achieved rate was down 1.0% to £50.33. London RevPAR was up 12.1% against an increase of 2.9% outside of London.

Our salary surveys which we produce for the industry are meant to be informative only!

2011 UK (London included) Salary Survey

This survey is for Deluxe Hotels with a Minimum Average Room Rate of **GBP 200**.

Salaries are considered gross GBP (with no deductions)

This survey is carried out on hotels with **100 Rooms - 400 Rooms** and have **4 or 5 Star** International Hotel ratings in the UK.

Positions	Lowest 2010	Lowest 2011	Highest 2010	Highest 2011	Average 2010	Average 2011
General Manager	70	73.5	280	308	135	144
Resident / Hotel Manager	55	57.75	128	140.8	80	86.4
Rooms Division Manager	40	42	78	84	58	62.64
Front Office Manager	24	25.2	36	39.6	31	33.48
Executive Housekeeper	28	29.4	62	72	38	41.04
Chief Engineer	29	30.45	68	74.8	47.5	51.3
Laundry Manager	22	23.1	31	34.1	27	29.16
Food & Beverage	38	39.9	72	89.2	55	59.4

Director						
Restaurant Manager (Fine Dining Room)	22	23.1	48	62.8	30	32.4
Catering Manager (Sales)	25	26.25	38	41.8	31	33.48
Banquet Manager (Operations)	24	25.2	46.5	51	35	37.8
Executive Chef	48	50.4	130	143	65	70.2
Gourmet Restaurant Chef	22	23.1	37	65	29	31.32
Executive Sous Chef	28	29.4	68	74.8	37	39.96
Italian Chef	28	29.4	70	77	42	45.36
Pastry Chef	28	29.4	58	63.8	36	38.88
Comptroller	22	23.1	52	67.2	48	51.84
Human Resources & Training Manager / Director	24	25.2	40	49	33	35.64
Sales & Marketing Director	45	48.25	110	125	65	70.5
Sales Manager (No. 2) or Dir. or Sales	30	33	60	69.9	45	49.7
Revenue Manager	23	24.15	55	57	38	41.04
IT Manager	22	23.1	38	41.8	30	32.4
Social Media Director	n/a	18.9	n/a	39.8	n/a	24.4

Annual Salary (GBP 1000s)

