



Cairn Hotel Group



Cairn Group Gender Pay Report 2018

Cairn Group is proud to be one of the UK's premium hotel groups. We strive to be an open and transparent employer; recruiting, retaining and rewarding based on ability and the desire to drive the very best guest experiences.

The publication of gender pay calculations applies to all employers with 250 employees or more. Whilst we have over 2,700 employees and our extensive portfolio of hotels, bars and restaurants operate as Cairn Group, our corporate structure is made of 8 companies. For our employees though, we operate entirely as one, with a central Head Office and consistent tools, strategies and support networks throughout all of our venues.

For the 12 month period ending 5th April 2018, our Gender Pay reporting responsibility applies for 2 companies:

- ✓ The Station Hotel (Newcastle) Limited – Comprising of 19 venues
- ✓ Minhoco 35 Limited – Comprising of 5 venues

Gender Pay Gap - The difference in pay between men and women

The Station Hotel (Newcastle) Limited

Mean Gender Pay Gap



2018: 5.4%
2017: 9.5%

Median Gender Pay Gap



2018: 0%
2017: 0.3%

Minhoco 35 Limited

Mean Gender Pay Gap



2018: 11.3%
2017: 12.6%

Median Gender Pay Gap



2018: 0%
2017: 4%

Gender Bonus Gap: The difference in bonus payments between men and women

The Station Hotel (Newcastle) Limited

	2017	2018
Mean bonus gender pay gap	-19%	47%
Median bonus gender pay gap	-19%	62%
% males receiving a bonus payment	0.4%	2.3%
% females receiving a bonus payment	0.2%	2.6%

In 2017 bonus payments for females were 19% higher than for their male colleagues. We have a consistent bonus scheme in place across all sites. Payment is dependent on specific metrics including financials, guest feedback and compliance. Gender is not a consideration and the swing in payments in 2018 was based entirely on the performance of each site/team.

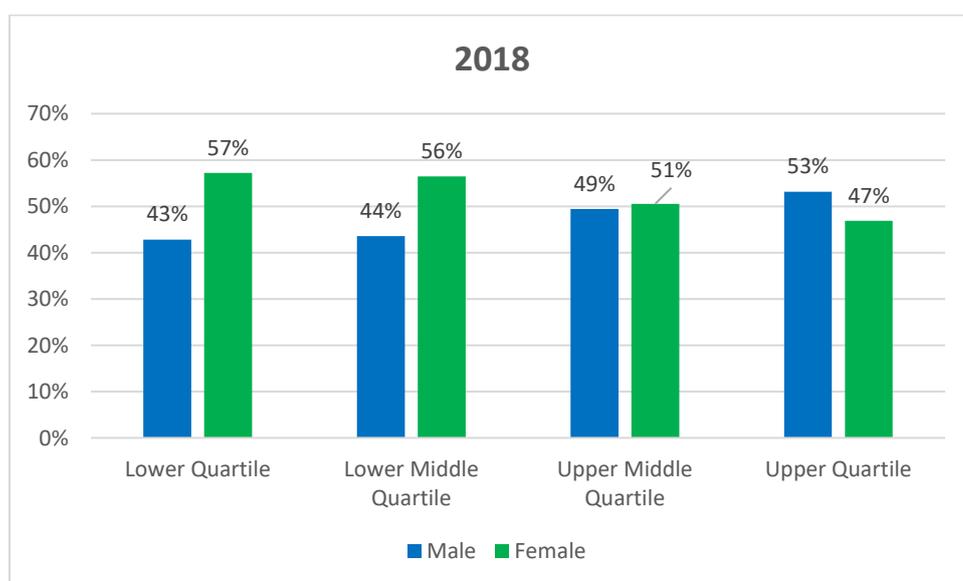
Minhoco 35 Limited

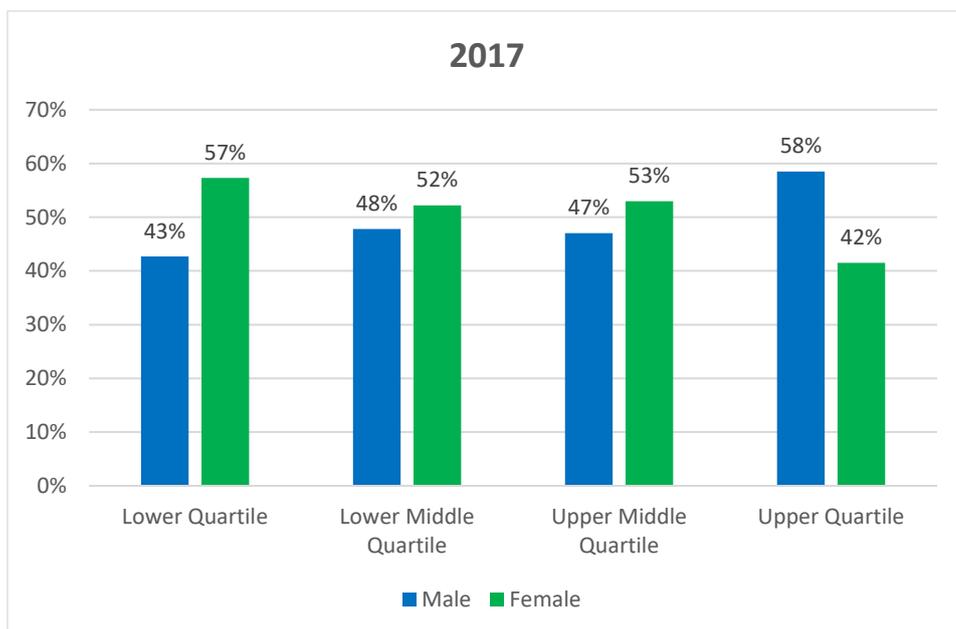
	2017	2018
Mean bonus gender pay gap	0	33%
Median bonus gender pay gap	0	48%
% males receiving a bonus payment	0	4.58%
% females receiving a bonus payment	0	5.63%

*Our bonus scheme within Minhoco 35 Limited sites is consistent with that of The Station Hotel (Newcastle) Ltd. As such, gender is in no way a factor in the payments made. Within sites we have male and female managers who are in the scheme. Assuming financial targets are met for the site, payment is then calculated based on metrics specific to the job role – not gender. As such, although more females than males received a bonus, the amount payable is dependent on the role **and** the degree to which metrics were achieved.*

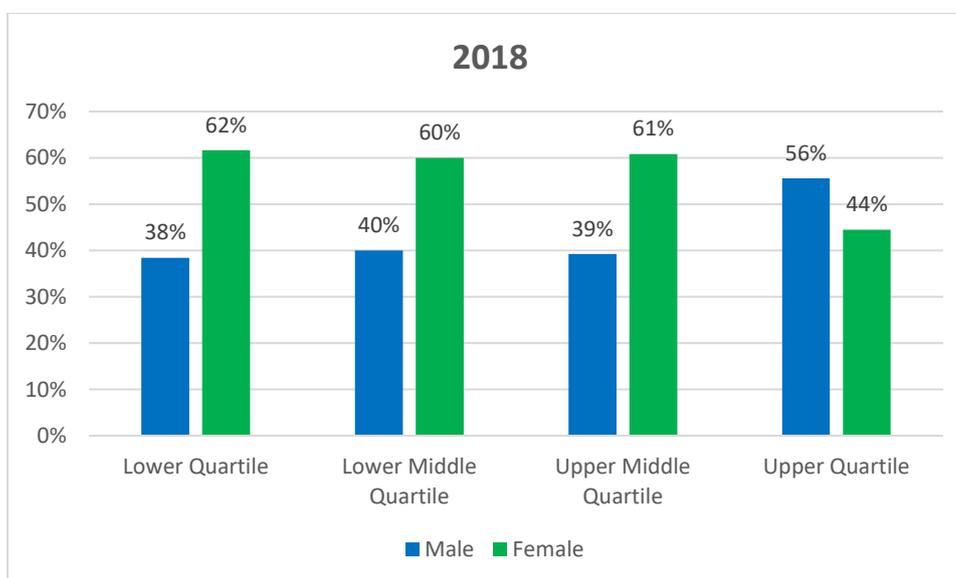
Pay Quartiles by Gender

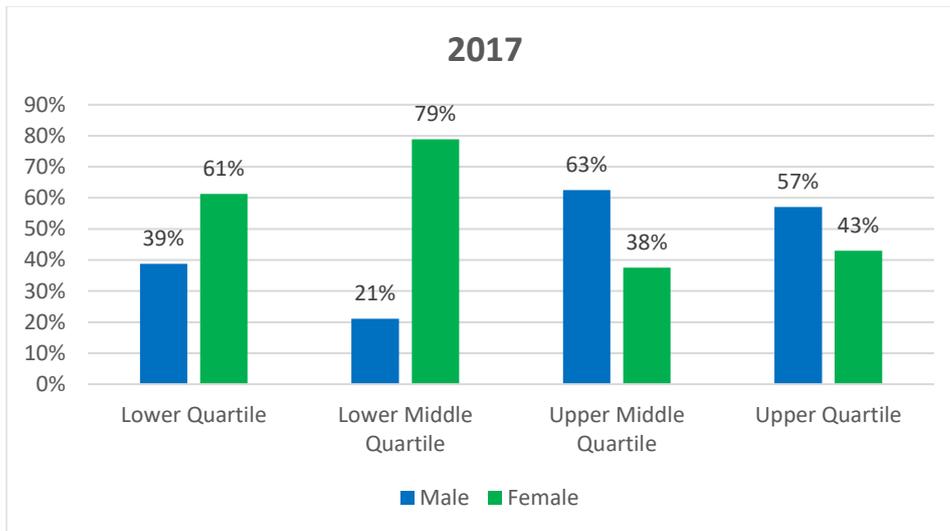
The Station Hotel (Newcastle) Limited





Minhoco 35 Limited





Observations

Our gender pay gap

- ✓ Comparing 2017 and 2018, our mean gender pay gap has seen a positive shift in both The Station Hotel (Newcastle) Limited (9.5% to 5.4%) and Minhoco 35 Limited (12.6% to 11.3%)
- ✓ For both companies, the mean gender pay gap for the period to 5th April 2018 was well below the UK average of 17.9%
- ✓ Comparing 2017 and 2018, Median gender pay gap also saw a positive swing for both companies.

Bonus payments

- ✓ In The Station Hotel (Newcastle) Limited, 2017 saw higher mean *and* median bonus payments for females than their male counter parts. 2018 saw a reverse of this trend (for both companies) and although marginally more females than males received a bonus payment, the value of these was higher amongst male employees. The driver for this however was purely performance of each site/team.

As per comments above, our bonus scheme is consistent across the sites and gender is in no way a factor when entering employees to the scheme or calculating payments.

Pay Quartiles

- ✓ As was the case for both companies in 2017, the higher proportion of men within the Upper Quartile and lower proportion in the Lower Quartile, continues to reflect in the mean pay gap. Also continuing the 2017 trend, Median pay is less skewed by the Lower and Upper Quartiles – and there is now no median pay gap in either company.
- ✓ Looking at The Station Hotel (Newcastle) Limited, its positive to see a higher proportion (42% to 47%) in the Upper Quartile. Likewise, Minhoco 35 Limited saw females increase in the Upper Quartile (38% to 61%).

Ways of Working and Monitoring

- ✓ As a business, we continue to make recruitment and remuneration decisions regardless of gender. We advertise across multiple job boards and social media and as recruitment becomes more challenging, the HR team continue to explore ways to reach all corners of the jobs market (including 'hard to reach groups').
- ✓ Our manager's bonus scheme continues to apply across all sites and the metrics align specifically to the financial performance of the site and metrics that drive guest service/ our business. Entrants to the scheme vary across our venues, depending on the nature of the venue and job roles available. Gender is not a factor when identifying managers to enter into the scheme.
- ✓ We are committed to equality and will always strive to attract and select the best talent at all levels, regardless of gender.
- ✓ Under Cairn Academy, we continue to roll out a broad range of Learning and Development tools that will enable our employees to grow and enhance their careers. The vast range of opportunities will be accessible for all employees.

For the 12 month period ending 5th April 2018, 44% of our apprenticeship entrants were female. Whilst this proportion reduced in the subsequent 12 months, it is worth noting that for our Leadership Programme (delivered in house), 31 of the 57 (54%) entrants were female.

- ✓ We will monitor our Gender Pay Gap periodically, using calculations consistent with those used to generate this report.

Richard Adams

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