

Annual Remuneration Report for Council 2024/25

1. Introduction / Background

a. Terms of Reference

The Committee's Terms of Reference (ToR) are reviewed annually and were last reviewed November 2024. A copy of the final ToR, Constitution and Membership of the Committee 2024/25 is attached as **Appendix 1**.

b. Meetings

The Committee met on two occasions during the academic year; on 13 November 2024 and 19 June 2025 and a list of attendees are set out in **Appendix 2**. Reports of meetings presented to Council can be obtained through the Governance Team. <https://www.liverpool.ac.uk/governance/>.

2. Approach to Remuneration

a. Operating Environment

It has been a challenging year for the higher education sector due to significant uncertainty in relation to international student demand, the policy environment and economic and geopolitical pressures. Like the rest of the sector, in 2024/25 the University experienced a shortfall in international student recruitment. This presented significant challenges for the financial year just ended.

A key priority has been responding to financial challenges through the appropriate management of the 2024/25 budget, and the University introduced a range of cost saving measures. The 2025/26 financial year is also expected to be challenging, however through effective saving measures and cost control, it is anticipated that next year's budget will have an improved operating surplus.

There are, also, many signs of success especially in league tables where the University has taken great strides in our work towards our University strategy, by entering the top 150 universities globally in the QS World University Rankings, placing 147th. The University also experienced rises in the THE World University rankings and the Times and Sunday Times Good University Guide.

Nevertheless, decisions around senior reward have been made with the sector context in mind.

b. Guiding Principles Related to Remuneration

The University of Liverpool's Remuneration Committee has agreed, and reviews on an annual basis, its Senior Staff Remuneration Policy ¹ which is the framework for managing senior staff remuneration and conditions (including non-pay benefits) at the University. The Committee does this to enable appropriate governance of the remuneration, promotion and reward for positions on Grade 10 and above, Professorial and equivalent Professional Services Staff and members of the Senior Leadership Team.

¹ [Strategic Reward for Senior Staff Policy - Working at Liverpool - University of Liverpool](#)

c. The Pay and Reward of Senior Staff

Key considerations and outcomes on senior pay this year included:

I. National UCEA Pay Award 2024/2025

The 2024/25 national pay negotiations undertaken through the Joint Negotiating Committee for Higher Education Staff (JNCHEs) resulted in an overall pay award of 2.5%. This increase was implemented in two stages—on 1 August 2024 and 1 March 2025—and applied consistently across all staff groups.

II. Pay Benchmarking

The Remuneration Committee receives detailed internal and external benchmark analysis which includes:

- Participation in annual salary surveys conducted by UCEA, Russell Group Pay Survey (undertaken by Korn Ferry Hay Industry & Services) and CUC salary surveys.
- Internal benchmark data including the pay multiple of the Vice-Chancellor's salary to the median earnings of all staff.

This benchmarking data is used to:

- Assess how the Vice-Chancellor's remuneration package compares with a defined comparator group of organisations and the wider sector and evaluate whether the current level of remuneration for the Vice-Chancellor remains fair, appropriate, and justifiable.
- Benchmark Senior Leadership Team (SLT) roles against jobs of equivalent size, as evaluated using the Hay job evaluation methodology, including data from Korn Ferry Hay's public, private, and Russell Group Universities.
- Review the potential impact of a range of percentage increases, in line with the Senior Staff Remuneration Policy.
- Inform salary decisions when appointing senior staff.

Median Salary

In accordance with the methodology set out in the CUC Remuneration Code, the University reports the pay multiple comparing the Vice-Chancellor's salary to the median salary of all staff. This ratio is published in the University's annual financial statements and is reviewed by the Remuneration Committee.

As the financial statements for the 2024/25 academic year are scheduled for publication in December 2025, the corresponding pay ratio is currently pending calculation.

Year End	Staff pay median	VC's Base Salary	Pay Multiple
31/07/2024	£40,500	£294,000	7.3
31/07/2023	£39,700	£285,600 [^]	7.2
31/07/2022	£37,500	£309,500	8.3
31/07/2021	£36,900	£300,500	8.1
31/07/2020	£36,500	£300,500	8.2
[^] New Vice-Chancellor appointed on 1 January 2023.			

III. Vice-Chancellor's Remuneration

National UCEA Pay Award 2024/2025: The Vice-Chancellor is entitled to receive the annual UCEA National Pay Award, as such his base salary increased in line with the National UCEA Pay Award as detailed above.

Performance-Related Salary Review: In addition to the national pay award, the Vice-Chancellor is eligible to be considered for a performance-related increase of up to 3% of his basic salary.

The President of Council makes recommendations to the Remuneration Committee regarding any performance award deemed appropriate. The Committee then determines the level of any award and submits its recommendation to the University Council.

In light of the financial and broader economic challenges currently facing the higher education sector, the President of Council recommended to the Remuneration Committee in June 2024 that it would not be appropriate for the Vice-Chancellor to receive an additional pay increase or Exceptional Performance Payment for the 2024/25 academic year. This decision was based solely on external circumstances and was not a reflection of performance, which was recognised as being very strong

IV. Senior Staff Remuneration

The Vice-Chancellor agreed to adopt the same approach with SLT members as above. Again, this was in no way attributed to performance and but rather acknowledged the ongoing financial and sector-wide challenges.

Subsequently, the salary review process for Non-Clinical Professorial staff and equivalent Senior Management Staff (Grade 10+) in academic year 2024/2025 did not take place. (The next review is scheduled for Spring 2026).

V. Contractual Bonus Payments

Following the rationalisation and removal of individual contractual entitlements to performance bonuses in 2020, only one position within the Institution continues to be eligible for an annual bonus payment. Bonus awards for this role are determined through the Professional Development and Review (PDR) process. The role carries a potential bonus of up to 10% of annual salary. For the 2024/25 academic year, a full bonus of 10% was awarded.

REMUNERATION COMMITTEE
TERMS OF REFERENCE

Minute Secretary: Emma Leonard – Head of Governance and Deputy Secretary
(e.leonard@liverpool.ac.uk)

Terms of Reference

- a) To approve and annually review the Senior Staff Remuneration Policy (SSRP) which is the policy framework for managing senior staff remuneration and conditions (including non-pay benefits) at the University.
- b) To be responsible, on behalf of the Council, for setting the policy for and agreeing remuneration and reward for members of the Senior Leadership Team (SLT) in accordance with the SSRP.
- c) To consider and determine the overall remuneration and objectives of the Vice-Chancellor. The President of Council will:
 - i) report on their assessment of the VC's performance against the Professional Development Review (PDR) objectives that were agreed
 - ii) propose to the Committee any increase in remuneration in accordance with the SSRP
 - iii) propose to the Committee PDR objectives for the coming year.

The Committee's recommendations to then be presented to Council for consideration.

- d) To receive reports on the remuneration of staff above Grade 9 who are not members of SLT in accordance with the SSRP.
- e) To consider and determine upon proposals for voluntary severance or the early retirement of members of the SLT. (The determination of such matters with regard to the Vice-Chancellor shall be restricted to the lay members of the Committee.)
- f) To ensure robust succession plans are in place for the Senior Leadership Team, other critical senior roles, and role holders identified as a potential 'risk of flight'.
- g) To approve policy on the outside earnings of members of the SLT.
- h) To review and note remuneration trends across the University sector using benchmarking data.
- i) To agree the policy for claims for expenses from the Vice-Chancellor and receive regular reports on expense payments made.
- j) To provide an annual remuneration report to Council on the business of the Committee that shall be produced in accordance with the CUC Higher Education Senior Staff Remuneration Code/Office for Students guidance.

- k) To ensure compliance with the CUC Higher Education Senior Staff Remuneration Code/Office for Students guidance in all relevant matters before the Committee.

Constitution and Membership for Session 2024/25

(Where a title is given, this indicates that the appointment is ex officio.)

The President of Council	Carmel Booth
The Vice-President of Council	Hans van Mourik Broekman
One Lay Member of Council	<i>Matthew Reed (Chair) (2024 – 26)</i>
Independent Member	Mark Stewart (2024 – 27)
<i>In Attendance</i>	
<i>The Vice-Chancellor</i>	<i>Professor Tim Jones</i>
<i>The University Secretary and General Counsel</i>	Kevan Ryan
<i>Director of People and Culture</i>	<i>Jo Squires (Secretary)</i>
<i>Reward Manager</i>	<i>Raj Thakor</i>

Reporting Relationships

The Remuneration Committee reports directly to the Council.

Frequency of Meetings

The Remuneration Committee usually meets on two occasions during the academic year.

Quorum

The quorum for meetings of the Remuneration Committee shall be three of its members.

APPENDIX 2**Dates of Meetings & Register of Attendance 2024/2025**

	13/11/2024	19/06/2025
Full members:		
President of Council Carmel Booth	✓	✓
Vice-President of Council Hans van Mourik Broekman	✓ (Chair)	✓
Lay Member of Council (Chair) Matthew Reed	X	✓
Independent Member Mark Stewart	✓	✓
In attendance:		
Vice-Chancellor Tim Jones	✓	✓
University Secretary & Director of Legal & Governance Kevan Ryan	✓	✓
Director of People and Culture (Secretary) Jo Squires	✓	✓
Human Resources Management Services Coordinator Debbie Grainger [until 31 March 2025]	✓	Left the Committee
Reward Manager Raj Thakor [from 31 March 2025]	Not on the Committee	✓
Governance Manager (Minute Secretary) Emma Leonard	✓	X
Governance, Compliance and Regulatory Manager (Interim Minute Secretary) Mike Edge	Not on the Committee	✓