

# 2020 Ethnicity Pay Gap Report

As part of our work to address racial inequality, The Institute of Cancer Research, London, has committed to analyse and publish results on our ethnicity pay gap each year.

Transparency on pay is central to ensuring equal opportunity, diversity and inclusion. In producing and publishing this report for the first time, we are identifying where we need to take action and confirming our commitment to race equality. The report covers data for 2020 on the ethnicity pay gap across The Institute of Cancer Research (ICR).

Promoting race equality is a key strategic priority for the ICR, and is

led through our Race Equality: Beyond the Statements project which seeks to address the under-representation of Black, Asian and other minority-ethnic staff across the ICR's workforce, in leadership roles and in research careers.

The figures we publish reflect pay under the ICR's new performance-based salary review system, implemented in August 2019.

## What is an ethnicity pay gap?

The ethnicity pay gap is the difference in pay between Black, Asian and other minority-ethnic employees, and White employees in an organisation, expressed as a percentage of average earnings for White employees. A pay gap can often arise because of differences in the level of seniority of the jobs carried out by different groups. The notion of a pay gap therefore differs from equal pay, which looks at the differences in pay between individuals who carry out the same jobs, similar jobs or work of equal value.

We want our different staff and student populations and our leadership to reflect the wider UK population in terms of diversity. Minority-ethnic groups are under-represented in more senior roles, and this can be an important contributor to the gap in pay between different ethnic groups.

This report covers hourly pay at the ICR as at April 2020 and bonuses paid throughout the period from 1 April 2019 to 31 March 2020.

We have calculated our ethnicity pay gap using the same methodology as for gender pay gap reporting – which is a legal obligation for all organisations in the UK with more than 250 employees.



## Our employee profile

This report covers the 1,059 employees who were paid in April 2020 (excluding anyone who was paid maternity leave, statutory or less than full occupational sick pay during this period).

Of these employees, 804 (73.4%) identified as White, and 255 (23.3%) identified as Black, Asian or another

minority ethnicity. Some 37 individuals (3.4%) did not provide this information.

Disclosure of diversity data is optional for employees. We have used data from the 96.7% of staff who provided ethnicity data to calculate the ethnicity pay gap.

The mean ethnicity pay gap: **12.5%**

The median ethnicity pay gap: **7.4%**

The mean ethnicity bonus gap: **16.4%**

The median ethnicity bonus gap: **-9.5%**

The proportion of White employees receiving a bonus: **17.4%**

The proportion of Black, Asian and other minority-ethnic employees receiving a bonus: **14%**

## Ethnicity pay gap

The mean pay gap is the difference between the average hourly pay rates of different groups, while the median pay gap is the difference between the midpoints of hourly earning when individuals are ranked from lowest to highest.

Our mean ethnicity pay gap is **12.5%**, and our median ethnicity pay gap is **7.4%**.

These figures demonstrate that the ICR's Black, Asian and other minority-ethnic employees earn less in average hourly pay than White employees.

The main reason for the gaps in mean and median pay is that we have more White employees in our senior, more highly paid roles. One of the main aims of our work towards racial equality is to achieve better representation of people from ethnic minorities in our leadership teams and other senior roles.

## Our ethnicity balance by quartiles

We have divided employees into four equal quartiles according to their rates of pay, from highest to lowest, and looked at the racial mix in each.

The proportion of White employees is similar across the lower quartile, lower middle quartile, and the upper middle

quartile, but is markedly higher in the upper quartile, representing the highest paid roles at the ICR. This indicates that White employees are particularly highly represented in senior leadership roles.

In comparison, the proportion of our employees who are Black, Asian or

from another minority ethnicity is lowest in upper quartile roles, and highest in the lower quartile roles. This indicates that employees from ethnic minorities are under-represented in senior leadership roles.



### Pay quartiles

Band	White employees		Employees who are Black, Asian or from other ethnicities		Description
	Number	White employees as a % of total staff in the quartile	Number	Black, Asian or from other ethnicity employees as a % of total staff in the quartile	
Lower quartile	188	70.9%	77	29.1%	Includes all employees whose standard hourly rate places them at or below the lower quartile.
Lower middle quartile	195	73.6%	70	26.4%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
Upper middle quartile	197	74.3%	68	25.7%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
Upper quartile	224	84.8%	40	15.2%	Includes all employees whose standard hourly rate places them above the upper quartile
TOTAL	804	75.9%	255	24.1%	

## Ethnicity bonus gap

The ethnicity bonus gap analysis covers those staff who received a non-consolidated payment to recognise high performance between 1 April 2019 and 31 March 2020.

Bonus awards linked to performance are made at a set percentage – for example, we made a non-consolidated payment at 2.5% of an individual's salary in 2020. In total, 0.4% of our total pay bill for 2020 was spent on bonuses.

In the period reported, 180 employees were paid a bonus. Some 140 White employees, or 17.4%, received a bonus – compared with 35 minority-ethnic employees, or 14%.

Five further staff bonuses were paid to staff who did not disclose their ethnicity and have been excluded from this analysis

The mean bonus for White employees was £1,399.61 in 2019/20, compared with £1,170.45 for people from ethnic minorities. The mean ethnicity bonus gap for those receiving a bonus payment in this period was 16.4%.

The bonus gap reflects the distribution of employees, with more White employees in highly paid roles shifting the mean bonus payment upwards. For example, some highly paid employees received large bonus payments of more than £5,000 but there were few minority-ethnic employees in the highest pay bracket.

Bonus payments for White employees were spread over a wide range, and the median payment for White members of staff was actually lower than for their colleagues from ethnic minorities. This resulted in a median bonus pay gap of -9.5%, indicating that on this measure employees from Black, Asian or other minority-ethnic backgrounds received higher average bonuses than their White colleagues.

This difference between the mean and median ethnicity bonus payments demonstrates how much the larger bonus payments made to more senior staff can skew the numbers.

## Why we have an ethnicity pay gap

The ethnicity pay gap at the ICR reflects the fact that more White staff occupy senior, more highly paid roles – an issue unfortunately common across the scientific research and higher education sectors.

We are committed to changing our balance through how we recruit at senior levels and supporting the progression of Black, Asian and other minority-ethnic employees in their careers at the ICR.

We recognise that there are continued challenges in meeting these aims – in part because of the wider context in which we carry out recruitment even using our new systems and processes. We anticipate that successfully addressing our balance at the top levels will take some time.

The figures for this 2020 report reflect the ICR's new salary review system, based on an annual appraisal where performance is recognised by a salary increase as well as the possibility of receiving a non-consolidated bonus payment. Other types of recognition payments (although in small numbers) include clinical bonuses and those related to innovation income.

We have identified certain staff groups where the difference in pay between White and Black, Asian and other minority-ethnic employees is making a particularly large contribution to the overall pay gap:

1. Clinical academics
2. Career Faculty
3. Professional Services



Getting race equality right is an important priority area for us as an organisation and we know we have work to do – to ensure the ICR reflects the diversity of wider society, including in our leadership teams.

Everyone deserves to feel represented – I want all our staff and students to feel a sense of pride and belonging here at the ICR – both for the amazing work we do towards defeating cancer, and for who we are as an organisation.

**Professor Kristian Helin,  
Chief Executive**

## 1. Clinical academics

Some 25% of the ICR's Academic Clinical Consultants (typically Professors, senior researchers and Heads of Division) and 24% of our Academic Pre-Consultant Clinicians are from a Black, Asian or other minority-ethnic background.

However, the Clinician pay category has the highest mean ethnicity pay gap out of all our staff groups, with a mean pay gap of 18.3%. We believe that this is as a result of the fact that White employees on average have a longer length of service (4.82 years, compared with 2.6 years for colleagues from minority-ethnic backgrounds). Duration in role is a major determinant of each individual's pay.

## 2. Career Faculty

Our Career Faculty are among the top figures worldwide in their chosen research fields – Team Leaders and senior researchers are included in this category. The ethnicity pay gap for this group is 14.5%.

Professorships come with financial recognition which entitles an individual to a minimum annual salary of £84,376. Within Career Faculty, 64% of White employees are Professors compared with 37.5% of Black, Asian or other minority-ethnic employees. As with the Clinician category, the title of 'Professor' tends to be awarded to staff with a longer length of service, and White members of Faculty on average have longer service than those from ethnic minorities (13.2 years, compared with 4.2 years).

## 3. Professional Services

The Professional Services category includes our Professional Services and those who work in scientific divisions in professional, administrative and non-scientific support roles (excluding Professional Services Director roles). The overall ethnicity pay gap of this group is 9.5%.

Employee pay ranges are spread across grades 1 to 8, with a total of 321 people on these pay scales. Of these, 76.2% are White and 23.8% are Black, Asian or from another minority ethnicity.

By comparing the ethnicity pay for each pay grade we can see that at the more senior, highly paid Professional Services grades (1 to 4), the proportion of White employees increases, driving up the ethnicity pay gap. There are 148 White staff in these grades compared with 43 Black, Asian or other minority ethnicity staff.

At levels 5 to 8, employees from Black, Asian or other minority-ethnic backgrounds are paid slightly more on average than White staff.

## Examining differences between minority ethnicities

**The ICR has also been breaking down data on minority ethnicities to see if there are particular groups who are particularly disadvantaged.**

We follow the [Higher Education Statistics Agency](#) ethnicity classification, which breaks ethnicity down into categories including Asian, Black, mixed and other.

The largest group out of these categories at the ICR is Asian (13.3% of all employees), making the ICR typical of UK higher education institutions (according to HESA and AdvanceHE benchmarking materials).

When we look closer across our different job categories, we see that the representation of different ethnic groups varies considerably. At the ICR, we have no Black employees in many of our higher paid roles – such as Clinical Academics, Staff Scientists, Career Development Faculty and Faculty.

We currently have no Black researchers above the level of postdoc in either the scientific or clinical academic career paths, which means we have no internal talent pipeline. This is an urgent national problem with an AdvanceHE statistical report for 2019/20 showing that only 0.7% of UK professors are Black.



**In 2019/20 only 0.7% of UK professors are Black.**

## What is the ICR doing to address its ethnicity pay gap?

The ICR is working towards a more diverse workforce at all levels. We have prepared an action plan aiming to improve racial equality, diversity and inclusion.

### We plan the following actions to address our ethnicity pay gap:

1

We will improve recruitment processes and build our data on hiring decisions, to help better understand and address differences in the proportion of candidates appointed from different ethnic backgrounds.

2

Increase representation in Faculty and Professional Services leadership roles of employees from Black, Asian or other minority-ethnic backgrounds, to bring these in line with the proportion of employees in more junior roles. We are also rolling out career development support targeted at Black, Asian or other minority-ethnic employees.

3

Review the application process for obtaining the Academic title of Reader of Professor.

4

Use pay clubs and research and university networks to understand how other organisations are successfully reducing their pay gaps.

## Next steps

At the ICR, we know that a more diverse workforce leads to a stronger organisation, as we all benefit from different ideas, experiences and viewpoints.

It is important that the ICR reflects our wider society, and in particular London where we are based – both to instil a sense of pride and belonging among all

our staff and students, and to ensure that their different needs are heard and prioritised. This is particularly important for our leadership teams.

Our Race Equality: Beyond the Statements project is overseeing a four-year action plan to enhance representation and equality, and has been vital in starting up important

conversations across our organisation, and driving meaningful commitment to change.

By publishing our ethnicity pay gap, we aim to be open and accountable, and to continue to drive movement in the urgent direction that is needed.