NHS
Lancashire and South Cumbria
Integrated Care Board

Integrated Care Board

Date of meeting	5 November 2026
Title of paper	Equality, Diversity and Inclusion Annual Report 2025/26
Presented by	Debbie Herring, Interim Chief People Officer
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Agenda item	19
Confidential	No

Executive summary

This paper presents the Equality, Diversity and Inclusion (EDI) Annual Report 2025/26 and the accompanying Workforce Diversity Report. Together, they provide assurance on the Integrated Care Board's compliance with the Public Sector Equality Duty and summarise progress against the equality objectives for 2024-2027, NHS equality standards, workforce inclusion priorities and work to reduce health inequalities.

The reporting year took place during significant NHS reform and organisational change, including a requirement to reduce running costs by 47%. Despite this context, the ICB continued to embed equality within workforce and service decisions, completed or commenced 66 Equality and Health Inequalities Impact and Risk Assessments, maintained 91.4% compliance with mandatory Equality, Diversity and Human Rights training, strengthened staff-network involvement and progressed anti-racism activity.

The workforce report shows 894 employees at 31 March 2026, a reduction of 28 from the previous year. Recorded representation increased for Black and Minority Ethnic colleagues to 8.7% and disabled colleagues to 9.4%. However, both groups remain less represented in Bands 8a-9 than across the workforce overall. Significant declaration gaps remain for disability, religion or belief and sexual orientation. Pay-gap analysis shows a continuing gender pay gap and a disability pay disadvantage, while headline ethnicity measures do not show a pay disadvantage but should be read alongside representation and data-quality limitations.

The Board is asked to note the report, endorse publication subject to final quality assurance, and support continued monitoring of equality impacts through organisational change.

Public and Stakeholder Engagement

The annual report draws on engagement with staff, staff networks, system partners, community representatives and voluntary, community, faith and social enterprise partners. Staff networks contributed lived-experience evidence and practical input on reasonable adjustments, accessibility, anti-racism, menopause and LGBTQ+

inclusion. Community engagement informed service examples and equality objectives, including maternity and neonatal insight, LGBTQ+ prevention needs and targeted work with underserved communities. The EDS workforce and leadership assessment was supported by an internal staff grading session. The reports should be published in accessible formats, with alternative formats available on request.

Recommendations

The ICB Board is requested to:

1. Note the Equality, Diversity and Inclusion Annual Report 2025/26 and the annex Workforce Diversity Report.
2. Note the progress made and the continuing inequalities and evidence gaps identified.
3. Endorse publication.
4. Support continued executive oversight of equality impacts, workforce representation, pay gaps, staff experience and delivery of the 2024-2027 equality objectives during organisational change.

Which Strategic Objective/s does the report relate to:		Tick
SO1	To improve population health and reduce inequalities through effective strategic commissioning.	✓
SO2	Commission high quality, safe and accessible services that deliver better and more equitable outcomes and patient experience.	✓
SO3	To develop and sustain the workforce, leadership and organisational capability required to operate as an effective strategic commissioner.	✓
SO4	Improved financial sustainability through directing available resources to deliver the greatest possible value.	
SO5	To deliver agreed national and local outcomes through a balanced focus on performance, improvement and long-term system resilience.	✓

Implications

	Yes	No	N/A	Comments
Associated risks	✓			Key risks relate to legal and regulatory compliance, workforce trust, staff experience, unequal outcomes during organisational change, incomplete equality data and limited delivery capacity. These are addressed in sections 5 to 8 of the report
Are associated risks detailed on the ICB Risk Register?		✓		
Financial Implications		✓		No new direct financial commitment is requested through this paper. Delivery will need to be prioritised within available organisational capacity and resources.

Where paper has been discussed (list other committees/forums that have discussed this paper)

Meeting	Date	Outcomes
Transition and Change Committee	12/10/2026	Discussed and endorsed

Conflicts of interest associated with this report
N/A

Impact assessments				
	Yes	**No**	**N/A**	**Comments**
Quality impact assessment completed			✓	Not applicable to publication of the annual report.
Equality impact assessment completed		✓		The paper itself reports the ICB's equality assurance and impact-assessment activity; a separate assessment is not proposed for publication
Data privacy impact assessment completed			✓	Workforce information is presented in aggregate, with small-number controls used to protect confidentiality.

Report authorised by:	Debbie Herring, Interim Chief People Officer

Integrated Care Board – 5 November 2026

Equality, Diversity and Inclusion Annual Report 2025/26

1. Introduction

1.1 This report provides the Board with a concise overview of the ICB Equality, Diversity and Inclusion Annual Report 2025/26 and the accompanying Workforce Diversity Report. The detailed annual report and workforce report are attached as Appendix A and Appendix B respectively

1.2 The reports demonstrate the ICB's approach to the Public Sector Equality Duty, progress against its equality objectives for 2024-2027, its response to relevant NHS equality standards, and the use of equality evidence in workforce and service decision-making.

1.3 The reporting period was characterised by significant NHS reform, financial pressure and organisational change. The annual report therefore positions inclusion as a core element of safe, fair and effective transformation rather than a separate programme of activity.

2. Overall assurance and progress

2.1 The annual report evidences continued activity across workforce inclusion, staff networks, anti-racism, equality impact assessment, community engagement and health inequalities. This includes 66 EHIIRAs completed or in progress between April 2025 and March 2026 and 91.4% compliance with mandatory Equality, Diversity and Human Rights training at 31 March 2026.

2.2 The ICB's Values, based on Compassion, Integrity, Respect and Inclusion, was embedded through leadership, people processes, communications and staff voice. Staff networks continued to influence organisational activity and provided insight during organisational change.

2.3 The reports also demonstrate targeted community activity, including outreach to reduce emergency admissions, dementia post-diagnostic support, neighbourhood health implementation, work with underserved communities in Burnley, WorkWell employment support and accessible advance-care planning.

3. Workforce profile and representation

3.1 At 31 March 2026 the ICB had 894 employees, equivalent to 813.9 full-time equivalents, which was 28 fewer employee records than at 31 March 2025.

3.2 The workforce remains predominantly female at 80.0%. Three quarters of colleagues are aged 36 to 60, 28.7% work part time and 96.4% are employed on permanent contracts. The age profile reinforces the importance of succession planning, knowledge transfer and accessible early-career routes.

3.3 Recorded BME representation increased from 7.5% to 8.7%, and recorded disability increased from 7.3% to 9.4%. These increases are positive, but workforce representation must be considered alongside disclosure rates, seniority, progression, recruitment and pay.

3.4 Representation is not evenly distributed. BME colleagues account for 6.9% of Bands 8a-9 compared with 8.7% overall. Disabled colleagues account for 7.5% of Bands 8a-9 compared with 9.4% overall. Men account for 24.1% of Bands 8a-9 compared with 20.0% of the workforce and 49.1% of the non-AfC or other grouping.

3.5 Disclosure gaps remain material: 31.8% of disability records, 33.8% of religion or belief records and 29.6% of sexual-orientation records were unknown, declined or unspecified. This limits confidence in detailed interpretation and remains an improvement priority.

4. Pay gaps and progression

4.1 The 2026 mean gender pay gap was 24.83% and the median gap was 16.04%, both in favour of male employees. These gaps have narrowed since 2023 but remain material. Men represented 33.49% of the highest pay quartile, despite comprising 20.4% of the gender pay dataset.

4.2 The ethnicity pay-gap analysis did not show a headline pay disadvantage for BME employees: the mean measure was 5.26% in favour of BME employees and the median gap was effectively zero. However, BME representation was 11% in the lowest quartile and 8% in the highest, and overall representation remained below the 12.3% local population comparison used in the report.

4.3 Disabled employees experienced a mean pay disadvantage of 7.41% and a median disadvantage of 8.84%. Disabled representation reduced from 12.4% in the lowest quartile to 7.8% in the highest. Interpretation is constrained by the 30.9% of records without a declared disabled/non-disabled status.

4.4 The evidence supports continued focus on inclusive recruitment and assessment, fair access to development, mentoring and sponsorship, flexible working, senior representation and analysis of recruitment, progression, retention and leaving outcomes by protected characteristic.

5. Staff experience, culture and leadership

5.1 The Equality Delivery System assessment remained “Developing” overall for both Domain 2, workforce health and wellbeing, and Domain 3, inclusive leadership. Outcome 2A improved to “Achieving”, but Outcome 2D, whether

staff recommend the organisation as a place to work, was graded "Undeveloped".

5.2 Domain 3 outcomes remained largely static. The tied "Undeveloped/Developing" result for Outcome 3C indicates a need for stronger leadership levers, performance management and visible monitoring of progress with staff and patients.

5.3 Staff Inclusion Survey findings reported in the annual report remain a significant concern: 70% of BME respondents reported discrimination and 50% reported bullying, harassment or victimisation at work. The report describes subsequent executive leadership, policy, training and staff-network activity to strengthen anti-racism.

5.4 The findings reinforce the importance of the culture reset, consistent leadership behaviours, safe speaking-up routes, timely reasonable adjustments and visible action in response to staff feedback during organisational transition.

6. Equality objectives and service inequalities

6.1 Progress against the 2024-2027 equality objectives is mixed. Workforce declaration and representation have improved, while some development initiatives, including the Inclusive Recruitment Toolkit and Reciprocal Mentoring Scheme, were paused because of organisational and financial constraints.

6.2 Service-focused objectives will be progressed through the revised maternity and neonatal insight model, primary-care frailty assessments and LGBTQ+ population mapping linked to Core20PLUS data. Further work is required to evidence outcomes, close data gaps and sustain targeted community engagement.

6.3 The population evidence demonstrates marked inequalities across the ICB footprint, including variation in deprivation, disability and life expectancy. The report identifies 198 of 1,049 local lower-layer super output areas as being within the most deprived national decile, reinforcing the need for neighbourhood and targeted approaches.

7. Organisational change and principal risks

7.1 The requirement to reduce running costs by 47% may affect workforce composition, organisational capacity and the pace of delivery. Equality evidence must therefore remain embedded in change decisions, selection processes, reasonable adjustments, redeployment, retention and post-change review.

7.2 The reduction in workforce size, the uneven representation at senior levels, the material gender and disability pay gaps, and staff-experience findings

create a combined risk to trust, inclusion and organisational effectiveness if they are not actively monitored.

7.3 Reduced specialist capacity may also affect the ICB's ability to sustain mandated assurance, EDS activity, staff-network support and improvement programmes. Prioritisation, clear ownership and proportionate governance will be essential.

8. Priorities for 2026/27

8.1 The priority actions emerging from the reports are to improve equality-data completeness; monitor end-to-end workforce journeys; strengthen disability inclusion and reasonable-adjustment delivery; widen access to development and senior opportunities; sustain staff-network voice; and embed equality throughout organisational change.

8.2 Executive oversight should focus on a concise set of measures covering representation by level, pay gaps, recruitment and selection outcomes, progression, retention and leaving, reasonable adjustments, staff experience and completion of equality impact assessments.

8.3 Service priorities should retain a clear focus on Core20PLUS5 populations, targeted engagement, accessible information, demonstrable outcomes and the consistent use of integrated impact assessment in commissioning and service transformation.

9. Conclusion

9.1 The reports demonstrate meaningful progress in maintaining equality and inclusion activity during a period of exceptional change. They also identify persistent disparities in senior representation, pay, disclosure and staff experience.

9.2 The central assurance for the Board is that equality must remain integral to organisational change, leadership accountability and strategic commissioning. Continued monitoring, transparent reporting and visible action will be necessary to protect progress and address the areas of greatest risk.

10. Recommendations

10.1 Note the Equality, Diversity and Inclusion Annual Report 2025/26 and the annex Workforce Diversity Report.

10.2 Note the progress made and the continuing inequalities, risks and evidence gaps identified.

10.3 Endorse publication.

10.4 Support continued executive oversight of equality impacts, workforce representation, pay gaps, staff experience and equality-objective delivery through organisational change.

Aisha Chaudhary

19th October 2026