

# Cost Management, Benefit Design and Administration Committee (CMBDA)

## Hybrid Meeting – 3 November 2025

### Item 11 Paper E

#### Update from Gender Pensions Gap (GPG) working group

##### Current position

1. The Board [submitted its response](#) to the Access and Fairness consultation which closed on 7 August 2025. The Board's response was shaped by the discussion and views shared at this Committee's last meeting. We are awaiting the Government's response to this consultation which is expected soon. In the meantime, the Secretariat have been engaging with the Government Actuary's Department (GAD) on the content of standard reporting guidance which may be required for the 2025 Actuarial Valuation reports.
2. The working group last met on 1 July 2025, and the group discussed how GPG reporting could work in practice in the Actuarial Valuation report and at employer level. There was consensus in the group that reporting at fund level was doable for 2025, with some high-level employer category data and disclosures. Employer level reporting would need further work but could evolve in the future, including using data from the 2025 report (i.e. it needn't wait until the 2028 reports are produced to begin employer reporting).

##### Further research proposal

3. The Committee's action plan has an ambition to undertake further research into the pensions gap for individuals with other protected characteristics, including the intersection of these with the already established gender pensions gap. It was intended that this research would extend and complement the already well-used reports the Board commissioned in 2024. The Secretariat have received interest from [Pensions for Purpose](#) and Westminster Pension Fund to explore participation in further research and have developed the below high-level specification. We have already held initial discussions with fund officers and Westminster Council employer representatives to discuss the potential outcomes.
4. To help develop this specification, the Committee are invited to comment on what the further research would have the greatest impact. The Secretariat suggests that the research should:

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- investigate the qualitative reasons for the gap and specifically aim to identify the intersectionality between ethnicity and gender.
  - identify practical actions and best practices to close these gaps, as well as exploring obstacles to doing so for members and employers
  - as eligibility for the LGPS is a major part of the remuneration offer in local government, research to better understand members' attitudes to pension saving could help, as well as improving retention and recruitment of staff by employers in the scheme.
5. The research would cover the quantitative data available through an LGPS fund and its participating employers and aim to identify:
- the scale and drivers of the gender pension gap within LGPS employers, looking at intersectionality with other characteristics (like religion and ethnicity where this data is held) by undertaking GPG reporting and overlaying this alongside protected characteristic data
  - The views of scheme employers on the main drivers of the GPG and the employer policies and communication activities which they are responsible for which could assist in narrowing the gap
  - Assess the effectiveness of communication strategies by gathering the views of scheme members and non-scheme members on retirement provision generally, but also specifically on perceptions of the value of the LGPS as part of their remuneration package
  - Produce practical recommendations and actionable insights that can be implemented by funds and scheme employers
  - Sharing issues and best practice to increase awareness and engagement across the LGPS ecosystem, ultimately supporting more equitable pension outcomes.
6. It is anticipated that the cost of this type of research would be around £20,000 - £25,000 which potentially could be shared with other interested stakeholders and Pensions for Purpose have expressed an interest in working together to produce a research report along these lines, in collaboration with the Board. The Committee are asked to consider whether they would recommend that the Board allocate

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funding for this. A contribution of up to £10,000 could potentially be allocated if this could be recovered through the 2026/27 budget (which would need to be agreed by the Minister). Additional sponsorship would still be needed to fully support the project and keep the cost affordable.

## High-level timeline:

- November 2025 – research specification agreed
- December 2025 – budget submitted to Board
- December 2025 – scoping meeting with interested parties
- January 2026 – research conducted
- February 2026 – report produced

## Best practice guide for employers

7. The Secretariat has been liaising with the Pension Equity Group on how the “Mind the Gap – Reducing the gender pensions gap” best practice guide could be updated to be more relevant for public sector pension schemes. The guide is currently available on the [Pension Equity Group's website](#).
8. The guide was created to help employers with the gender pension gap, including how to identify it and how to reduce it. The Secretariat believes that some adaptation would be useful in encouraging LGPS employers to engage with GPG issues and consider what actions they can take to narrow the gap. The guide sets out the steps employers can take to address the gender pensions gap in their own organisations and groups the best practice into 4 key areas:
  - Understanding your own gender pensions gap
  - Going beyond statutory minimums
  - Raising awareness with your employees
  - Making meaningful benefit and policy changes
9. While much of the guidance is relevant to the LGPS, the section on “going beyond statutory minimums” applies only to defined contribution schemes. This could cause confusion for LGPS employers. To address this, the guide could either:

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- Include a dedicated section for public sector pension schemes, or
- Clearly indicate which sections do not apply to defined benefit schemes like the LGPS, or
- Alternatively, produce a separate version tailored specifically for public sector (defined benefit) pensions.

The Committee is invited to share their views on this proposed approach and the content, bearing in mind that the primary audience is employers.

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## Annex A - GPG action plan

11. The current status of the action plan is below.

| Action   | Status  |
|--|---|
| A. Explore and propose a standard GPG definition and reporting approach (including methodology) for the Local Government Pension Scheme, including both for funds and employers                    | Reporting proposal agreed in February 2025 ( <b>Completed</b> )<br><br>Board response submitted to the Access and Fairness consultation ( <b>Completed</b> )<br><br>To work with MHCLG and GAD on the guidance for reporting (including methodology) ( <b>Ongoing</b> ) |
| B. Explore with the Pension Equity Group (PEG) how to adapt the 'Mind the Gap' employer best practise guide for the Public Sector  | Meeting with other public sector pension schemes to be arranged ( <b>Ongoing</b> )<br><br>Identify appropriate networks for employer engagement ( <b>Ongoing</b> )<br><br>Include in the further research specification ( <b>Ongoing</b> )                              |
| C. Work with MHCLG (as required) to conduct a more detailed review of treatment of authorised unpaid leave and produce proposals for consultation on amendment to the LGPS regulations and SCAPC's | Access and Fairness consultation launched with proposals for changes to unpaid leave ( <b>Completed</b> )   |

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|---|---|
| D. Analyse the responses from the GPG survey to local government employers  | Results issued in February 2025<br><b>(Completed)</b>   |
| E. Investigate and identify how pension member self-service portals and other communication tools can help to communicate the impact of breaks, life events and improve financial planning for women    | Not yet started.  |
| F. Identify the communication needed to employers on the GPG to raise awareness of the specific issues which impact the GPG within the LGPS regulations, particularly during scheme member life events. | <p>Roundtable event with employer representatives and industry experts organised<br/><b>(Completed)</b></p> <p>Consultation response to address specific issues and ideas <b>(Completed)</b></p> <p>For the Secretariat to identify the most appropriate employer forums and routes to continue to engage with LGPS employers.<br/><b>(Ongoing)</b></p> |
| G. Further research into the pensions gap for individuals with other protected characteristics, including the intersection of these with the already established gender pensions gap.                   | <p>Work has started on a research brief and the Secretariat have met with a fund, scheme employer and research company to under the next steps and possible options for this research.<br/><b>(Ongoing)</b></p>   |

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**Recommendations** – That the Committee notes the update provided in this report and comments on the further research proposal.

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