

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

**HYBRID MEETING – 28<sup>th</sup> October 2024**

## **ITEM 5 – PAPER B**

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

#### **Current position**

1. Since the last Committee meeting, the working group met on 1<sup>st</sup> October to discuss progress. It was encouraging that the Secretariat was able to share that the new government had shown positive interest in the Gender Pensions Gap project and progress had also been made in several areas. An overview of the actions since the last Committee meeting is as follows:
  - The Board's work on GPG covered in Cllr Roger Phillips' [welcome letter](#) to new Local Government Minister Jim McMahon MP
  - Jo Donnelly wrote to [Ministry of Housing, Communities and Local Government \(MHCLG\)](#) to highlight the need for a review of the actuarial factors and regulations surrounding Shared Cost Additional Pension Contributions (SCAPCs)
  - The Pensions Minister, Emma Reynolds, has been reported as saying that phase 2 of the [Pensions Review](#) potentially will have GPG in scope as part of retirement adequacy work (see Pensions Review update in Item 7, Paper C)
  - The Secretariat secured representation on the [Pensions Equity Group \(PEG\)](#) and attended a meeting of the group on the 18<sup>th</sup> September and agreed to join sub-groups focusing on Auto-Enrolment Reform, employer best practise and mandatory disclosures
  - The Secretariat have had initial discussions with MHCLG on scoping advice to the Minister on GPG
  - The Secretariat has drafted a GPG survey to be issued to local government and academy school employers and due to links in themes, have included questions on what type of data is held by employers on employees who opt out. On the GPG issue, the survey asks for employer interest in understanding their own GPG. The results of the survey will be shared at the next Committee meeting.
2. As a result of this progress, the action plan is to be refreshed to reprioritise the below actions in the coming months:

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- 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, and prepare this draft for Committee approval at its next meeting
  - B. Explore with the PEG how to adapt the 'Mind the Gap' employer best practise guide found in **Annex A** for the Public Sector
  - 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
  - D. Analyse the responses from the GPG survey to local government employers
3. The Secretariat propose that actions A to D will be prioritised initially, with progress expected by the next Committee meeting. Actions E to G below are longer-term aims/follow-on steps from current actions:
- E. Investigate how pension member self-service portals can help to communicate the impact of breaks, life events and improve financial planning for women
  - 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
  - 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.

**Recommendation** – That the Committee notes the position as set out above and agrees the priorities and next actions for the working group.

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