

## **Paper E: Gender pensions gap (GPG) update**

### **Key points to note**

The paper provides an update on the committee's next actions to the Access and Fairness consultation. The secretariat has updated the action plan and continues to progress the joint GPG research project with Pensions for Purpose and Westminster Pension Fund. The working group when they last met discussed developing an LGPS-specific version of the "Mind the Gap" employer guide and the secretariat is working with the Pension Equity Group (PEG) to adapt the guide for public-sector defined benefit schemes, with an updated version expected in April 2026.

### **Recommendation**

That the committee notes this update and agrees the action plan at Annex A.

### **Latest position**

#### **Access and Fairness consultation response**

On 2 February 2026 the [government announced its response to the Access and Fairness consultation](#) and [specifically the announcement on reforms to tackle the gender pension gap \(GPG\)](#) in the Local Government Pension Scheme (LGPS).

The response acknowledged the work of the Board in commissioning the first public sector pension scheme-wide GPG report and puts in place scheme-level changes aimed at improving outcomes for women in the LGPS. The committee and working groups input has helped shape the understanding of the GPG in the LGPS and has informed policy discussions leading to the reforms and beneficial in understanding the possibilities.

In the government response the reforms specifically for the GPG cover:

#### **Gender pensions gap – member benefits**

- Short authorised absences of less than 15 days will automatically be pensionable.

- The cost of buying back lost pension for longer authorised absences will be aligned with standard member contribution rates.
- Members will have up to 12 months (instead of 30 days) to elect to buy back lost pension, provided they remain in the same employment.
- Employers will be able to pay their share of contributions for unpaid periods of more than three years.
- The definition of child-related leave will be updated to cover all additional unpaid maternity, adoption and shared parental leave.

### **Gender pensions gap – reporting**

- Basic gender pensions gap reporting will become mandatory for administering authorities from the 2025 valuation, with methodology to be set out in actuarial guidance.

The implementation of all these reforms (not just those relating to GPG work) will require extensive work and communication with both administering authorities and scheme employers and the Local Government Pension Committee (LGPC) plans to issue bulletins and guidance to support the sector. We understand the Government plans to phase in the changes proposed in the consultation to ease the administrative impact. Phase one changes will be introduced in April 2026, and phase two later in the year.

The committee is asked to note that there are two areas within the consultation response where further work may be required to support the government in the implementation of the proposals relating to GPG:

1. Gender pension gap reporting: The government has indicated its intention to work with the sector to develop more comprehensive GPG reporting for the 2028 valuation, including the potential introduction of employer-level reporting. Further engagement and analysis will therefore be necessary to support this work.
2. Opt-out data: Additional consideration will be needed to support the proposal to publish opt-out data within administering authorities' annual reports and to facilitate the collection of opt-out information through the template opt out form.

The secretariat has updated the workplan for the GPG working group and intends to engage with officials from MHCLG and colleagues within the LGPC team to scope and agree the next steps.

## **Further research proposal**

At the last meeting the committee agreed next steps for developing the specification for further research into the GPG. The secretariat has moved forward with this work and is finalising the joint research agreement with Pensions for Purpose and Westminster Pension Fund. The objectives, methodology and timetable are as follows:

### **Objectives**

- Quantify the scale of gender, ethnicity and disability gaps within an LGPS fund, both for active members and pensioners, and analyse how it has evolved over the years.
- Understand the intersectionality between gender, disability and ethnicity in influencing pension outcomes.
- Investigate the reasons for the gap.
- Understand members' attitudes to pension saving, with a gender and ethnic breakdown.
- Identify practical actions and best practices to close the gaps and explore obstacles for members and employers.
- Raise awareness and improve communication, engagement, recruitment, and membership retention across the LGPS.

### **Methodology summary**

The methodology will involve a combination of pension scheme data analysis (using pension fund valuation data), workforce profile analysis and interviews with employers/employees from one LGPS fund (Westminster).

The aim is to quantify the gender, ethnicity and disability pension gaps, and to provide qualitative insights into their underlying causes and potential strategies to address them. Interviews will focus on exploring the causes behind gender, ethnicity and disability pension gaps and identify practical solutions to address them.

Interviews will be conducted with a small, targeted group of employees. Eligibility will focus on active members within the most common jobs reflecting the majority of the scheme's workforce. Within this group, a mix of gender, ethnicity and disability to capture a diversity of experiences.

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Approximately 25 one to one interviews will be completed, lasting 30 minutes each, using purposive sampling to select participants who collectively represent a mix of gender, ethnicity and disability.

### **Timetable**

The final timetable is currently being agreed with Westminster to ensure interviews are scheduled at the most appropriate times and dates. The provisional timetable is as follows (noting this has changed to the original timetable provided to the committee in November 2025):

- March/April – research conducted
- April - report drafting, design and review
- April/May – publication of the report

### **Working group Update**

The working group met on 21 November 2025 and considered several items of ongoing work:

- Government response to the Access and Fairness consultation: the Group discussed the expected timing and key themes likely to feature in the forthcoming government response.
- Engagement with software suppliers and MAPS: Members agreed the next steps for continued engagement with software providers and suggested engaging with Chris Curry (Pensions Dashboards Programme regarding GPG and dashboard-related issues.
- Research proposal: The group reviewed the research proposal and provided initial views on scope and priorities.
- “Mind the Gap” guide: Members expressed support for developing an LGPS-specific version of the guide, rather than adapting the existing cross-scheme version.
- Public Service Pension Schemes (PSPS) engagement: The group agreed to invite representatives from other PSPS to a future meeting to share insight and ensure alignment, where appropriate.

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## **Best practice guide for employers ('Mind the gap')**

The committee was previously updated on the secretariat's engagement with the PEG regarding potential updates to the 'Mind the Gap' best practice guide to make it more relevant for public sector and LGPS employers. It was noted that, while much of the guide remains applicable, the section on "going beyond statutory minimums" relates only to defined contribution schemes and could cause confusion. The secretariat therefore has explored options to improve applicability, including clearer signposting of non-relevant content, adding a dedicated public-sector section, or producing an LGPS-specific version.

The secretariat has reviewed the draft guide and provided initial suggestions for updating to the PEG following feedback from the working group indicated a preference for developing a version tailored specifically to the public sector and the LGPS, rather than relying on caveats where certain employer actions are not applicable. During the review, several areas that do not fully align with the LGPS or the wider public-sector benefit structure were suggested to change.

This would represent a notable change from the current draft and is liaising with the PEG to ensure the guide is still accessible to all. It is expected that the guide will be available in April to coincide when LGPS employers will be able to view fund-level GPG data in the 2025 actuarial valuation reports.

## Annex A – Gender pensions gap action plan

Action	Status
<p>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</p>	<p>Reporting proposal agreed in February 2025 (<b>Completed</b>)</p> <p>Board response submitted to the Access and Fairness consultation (<b>Completed</b>)</p> <p>To work with MHCLG and GAD on the guidance for reporting (including methodology) (<b>Completed</b>)</p> <p>To work with MHCLG and LGPC to scope out the work needed to develop GPG reporting for 2028 in line with the Access and Fairness consultation response (<b>Ongoing</b>)</p>
<p>B. Explore with the Pension Equity Group (PEG) how to adapt the ‘Mind the Gap’ employer best practise guide for the Public Sector</p>	<p>Meeting with other public sector pension schemes to be arranged (<b>Ongoing</b>)</p> <p>Identify appropriate networks for employer engagement (<b>Ongoing</b>)</p> <p>Include in the further research specification (<b>Ongoing</b>)</p>

<p>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</p>	<p>Access and Fairness consultation launched with proposals for changes to unpaid leave <b>(Completed)</b></p>
<p>D. Analyse the responses from the GPG survey to local government employers</p>	<p>Results issued in February 2025 <b>(Completed)</b></p>
<p>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</p>	<p>To be started March 2026</p>
<p>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>	<p>Roundtable event with employer representatives and industry experts organised <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. <b>(Ongoing)</b></p>
<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>	<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.</p>

	<b>(Ongoing)</b>
H. Update the annual reports guidance to facilitate the publication of opt-out data in line with the Access and Fairness consultation response.	To be confirmed
I. Support the next steps for collection of additional opt-out data in the scheme opt out form template	To be confirmed