

# Pensions expert

<http://www.pensions-expert.com/DB-Derisking/GAD-analysis-identifies-LGPS-pay-and-pension-gender-gaps>

DB & DERISKING

## GAD analysis identifies LGPS pay and pension gender gaps

By Pádraig Floyd | May 22, 2023

**Female members of the Local Government Pension Scheme (LGPS) for England and Wales suffer considerable gender pay and pensions gaps, according to a new report from the Government Actuary's Department (GAD).**

Women, who make up 74% of the active membership, receive mean actual pay that is 31.7% lower than men (see table 1) and a mean total pension that is 41% lower, against data from 31 March 2020.

Things are worse for pensions in payment (see table 2), where the mean pension for women is half (49.4%) that of men.

**Table 1: Actives' pay and pension by gender as at 31 March 2020**

Gender	Proportion by no.	Mean actual pay	Mean total pension
Female	74%	£18,807	£3,198
Male	26%	£27,532	£5,416
Gender gap		31.7%	41.0%

*Source: Government Actuaries Department*

Partner pensions fare worse at 56.9% lower, as there is a 6% difference between the rates paid to male and female members' partners.

This analysis is based on data collected to conduct an actuarial valuation of the LGPS as at 31 March 2020 and to provide renewed evidence for developing government policy on the scheme.

The average LGPS gender gaps as of 31 March 2020, are 35% (post 2014 active females career average), 46% (active female accrued legacy DB schemes) and 49% for pensions in payment.

**Table 2: Pensioners' pension in payment by gender as at 31 March 2020**

Gender	Proportion by no.	Mean pension in pay	Mean partner pension
Female	62%	£4,285	£1,653 (39% of member)
Male	38%	£8,466	£3,834 (45% of member)
Gender gap		49.4%	56.9%

*Source: Government Actuaries Department*

### Not as bad as it looks

 value, the gaps are extreme, but Local Government Association (LGA) analysis on pay from 2019 across local government employers showed the gender pay gap was 6.1%, while the median gender pay gap was 4.0% among certain local government staff.

GAD's pension analysis includes wider groups of LGPS members and employers, with different pay patterns from those in the LGA analysis.

Differences in work patterns will also produce anomalies, as more women take work part time or take career breaks to raise families.

There may also be other factors to consider, such as rates of opt out rates from LGPS membership.

The report was produced after the LGPS Scheme Advisory Board (SAB) asked GAD to help it examine the extent of differences in benefit outcomes.

GAD and the SAB will now conduct further investigations in order to better understand the pension differences identified by the report.

---

[Twitter](#)  
[Facebook](#)  
[LinkedIn](#)  
[Mail](#)

[Print](#)

## More stories

[Landmark SPPA ruling sets gender equality precedent](#)

[Govt allocates £425mn for teachers' remedy back payments](#)

[How can being transgender affect your workplace pension?](#)

[Pension trustee boards and gender diversity: Is the glass ceiling shatterproof?](#)

[How schemes can play their part in bridging the gender pensions gap](#)

[Is LGPS governance up to scratch?](#)

---