

100 HYMANS # ROBERTSON

# A spotlight on the Gender Pensions Gap in the LGPS

28 October 2022

Hymans Robertson LLP is authorised and  
regulated by the Financial Conduct Authority

# Speakers



**Catherine McFadyen**  
Head of Public Sector  
Consulting

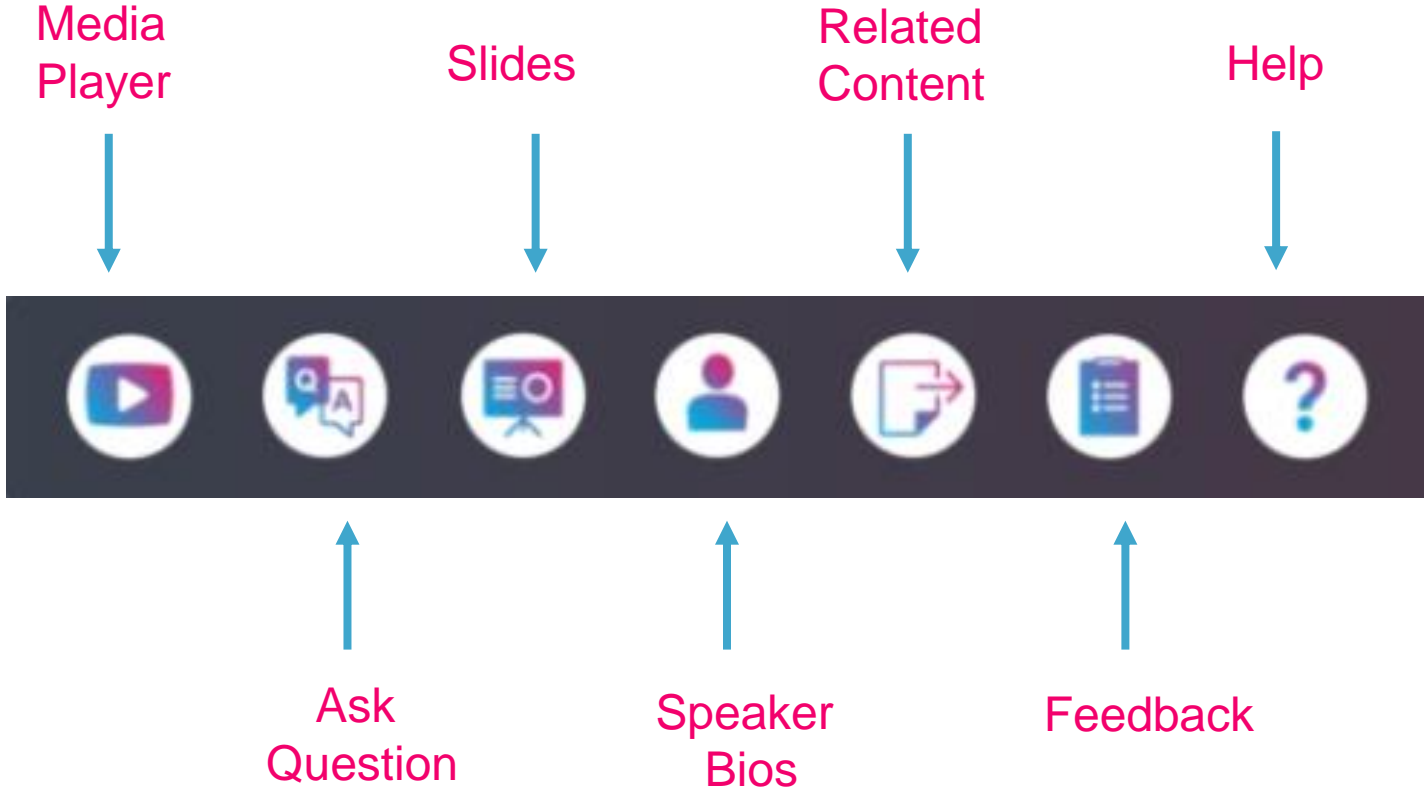


**Robert Bilton**  
Partner & Head of  
LGPS Valuations



**Lauren Wilkinson**  
Senior Policy Researcher  
Pensions Policy Institute

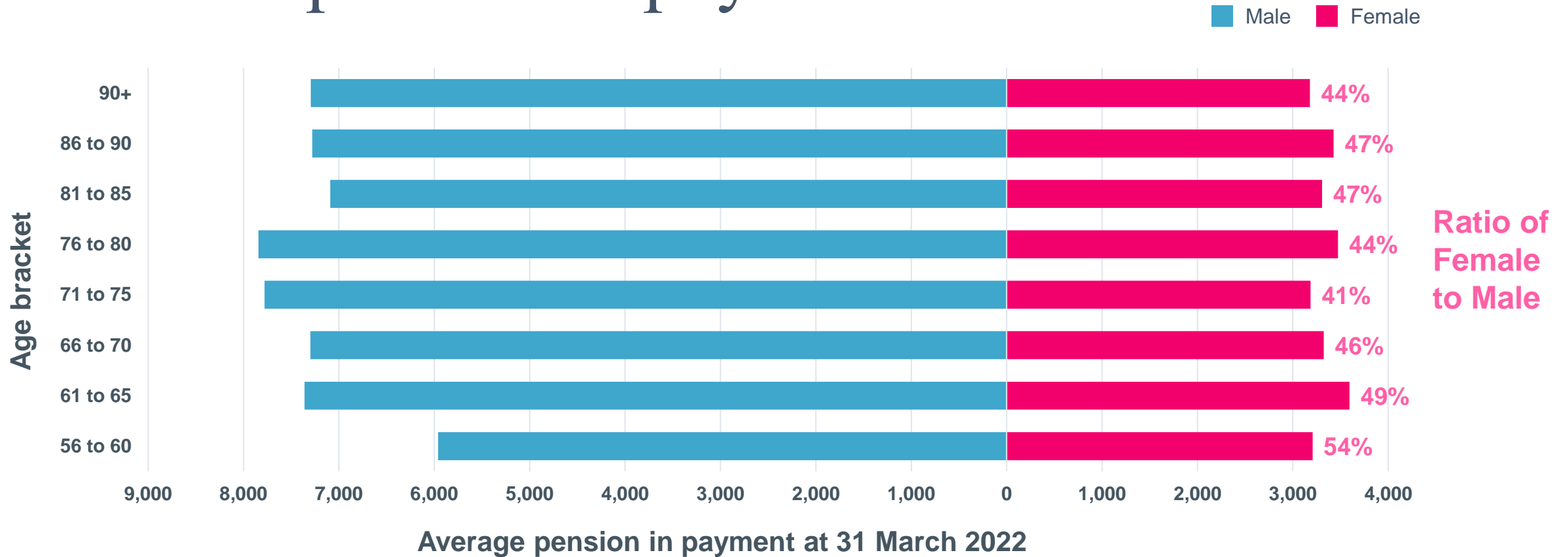
# Housekeeping



# Gender Pensions Gap in the LGPS



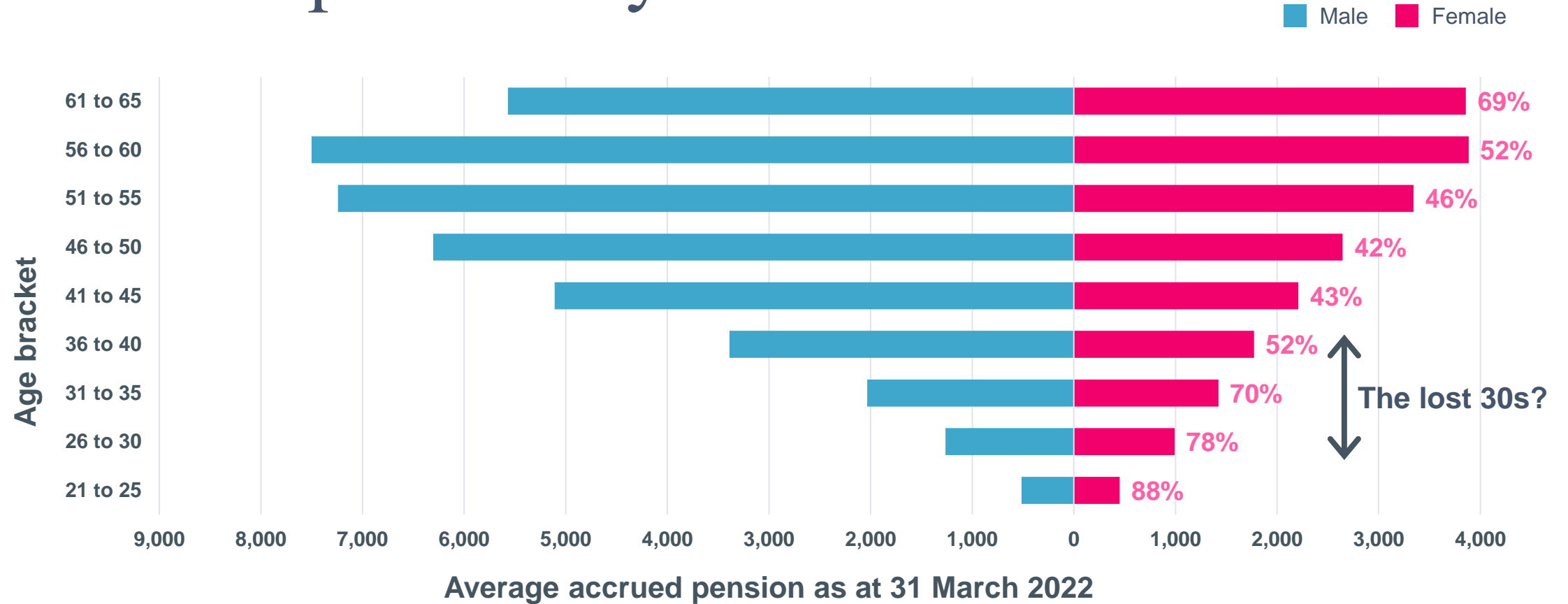
# Current pension in payment



Source: Hymans Robertson analysis of large County Council LGPS fund data as at 31 March 2022

**Obvious gender pensions gap for pensioners – to be expected?**

# Accrued pension by active members

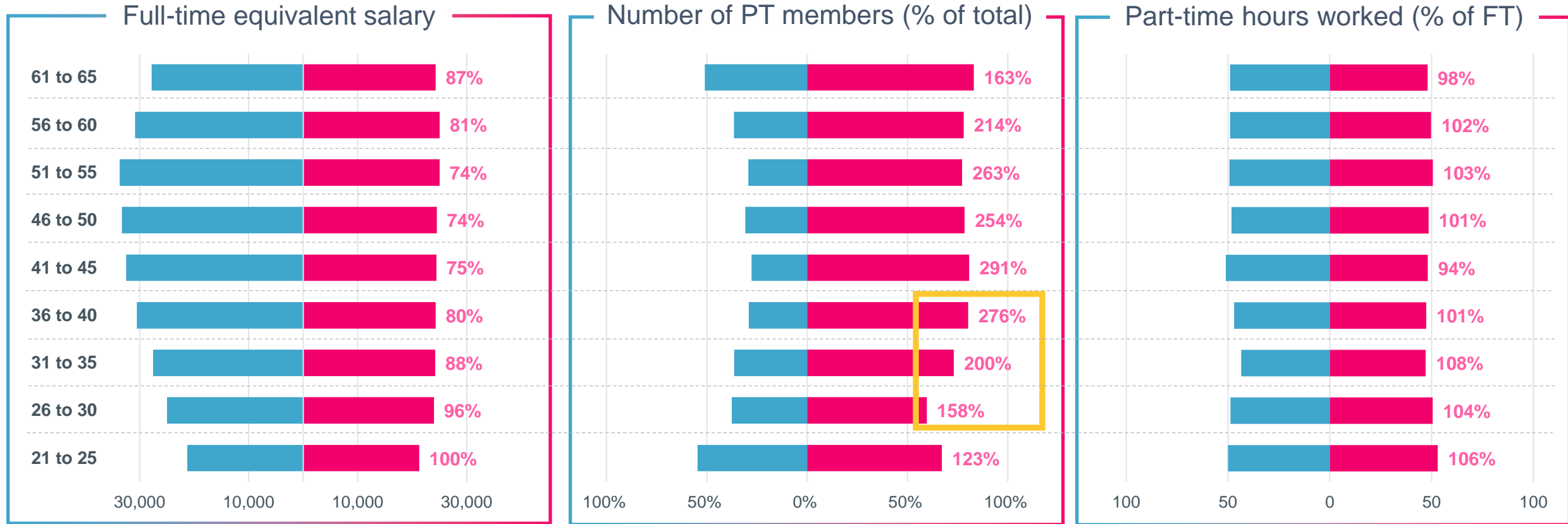


Source: Hymans Robertson analysis of large County Council LGPS fund data as at 31 March 2022

**No signs of significant improvement**

# What could be the causes?

Male Female



Source: Hymans Robertson analysis of large County Council LGPS fund data as at 31 March 2022

**What can the LGPS do to help reduce the Gender Pensions Gap?**

Lauren Wilkinson  
Pensions Policy Institute





# The Gender Pensions Gap



- What is the Gender Pensions Gap?
- How big is the Gender Pensions Gap?
- Why is there a Gender Pensions Gap?
- What could be done to narrow the Gender Pensions Gap?

# What is the Gender Pensions Gap?

Like the Gender Pay Gap  
(women earn less on average  
than men)

Current retirees: Women  
have lower average  
retirement incomes

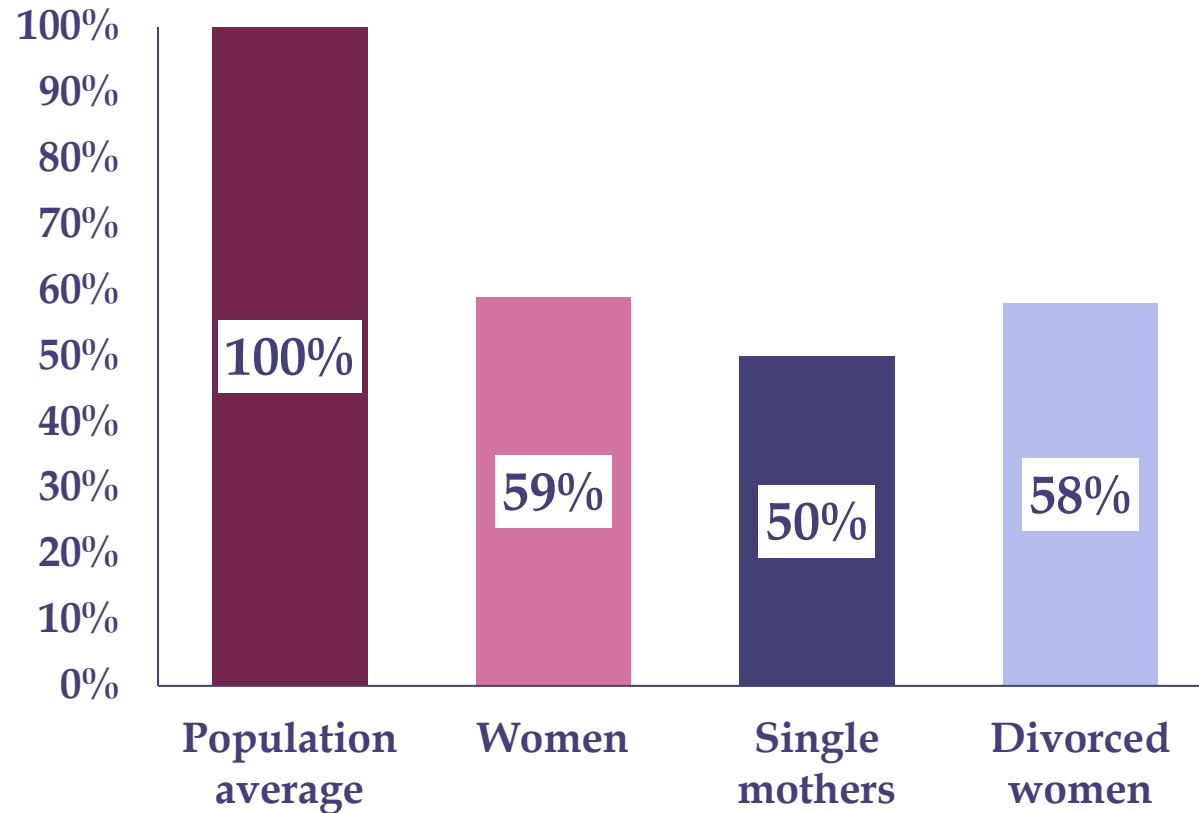
Future retirees: Women have  
lower levels of pension  
wealth

Has the potential to  
negatively impact women's  
later life experiences

# How big is the Gender Pensions Gap?

# PPI

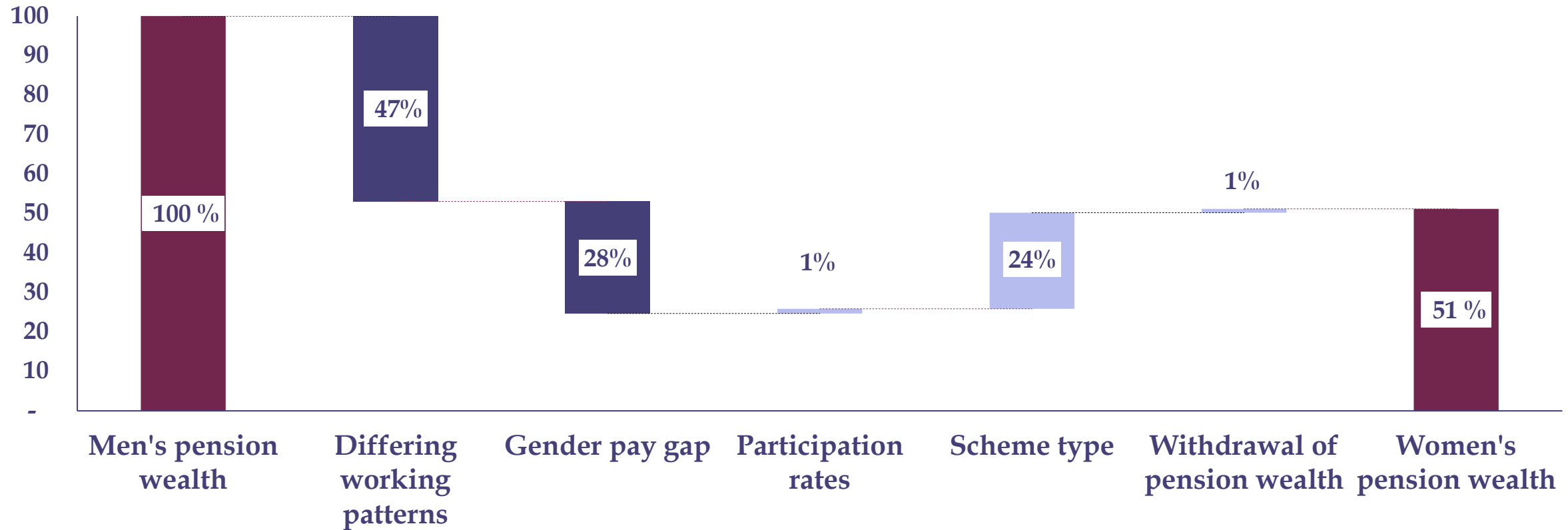
## Current retirement incomes



There are 50% more women than men heading towards retirement without any private pension savings.

In their late 50s, women's average pension wealth is worth around half of men's.

# Why is there a Gender Pensions Gap?



Breakdown of difference between men's and women's pension wealth in late 50s, illustrating the magnitude of each contributing factor. Based on PPI analysis of Wealth & Assets Survey.

# What could be done to narrow the Gender Pensions Gap?

Reducing the Gender  
Pay Gap

More flexible  
employment options

Changes relating to  
maternity leave and  
pension contributions

Change to AE  
eligibility criteria

AE contributions on  
first £1 of earnings

More engagement and  
awareness

# Conclusions

- Women have retirement incomes/wealth around half of men's.
- This gap is largely attributable to labour market inequalities, so efforts to close it will require a coordinated approach across a range of policy areas.
- But there are potentially pension-specific changes that could be made to support better retirement outcomes for women.

Questions?



# Thank you

This Powerpoint presentation contains confidential information belonging to Hymans Robertson LLP (HR). HR are the owner or the licensee of all intellectual property rights in the Powerpoint presentation. All such rights are reserved. The material and charts included herewith are provided as background information for illustration purposes only. This Powerpoint presentation is not a definitive analysis of the subjects covered and should not be regarded as a substitute for specific advice in relation to the matters addressed. It is not advice and should not be relied upon. This Powerpoint presentation should not be released or otherwise disclosed to any third party without prior consent from HR. HR accept no liability for errors or omissions or reliance upon any statement or opinion herein.