

Meeting:	Pensions Committee
Date:	17/03/2025
Title:	Summary of Gender Pension Gap Analysis
Purpose:	For information only
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1. Introduction

This paper summarises the findings of a recent analysis conducted by Hymans Robertson on the Gwynedd Pension Fund membership data, as of March 31, 2024, to explore the Gender Pensions Gap. The full report is available for review in **Appendix A.**

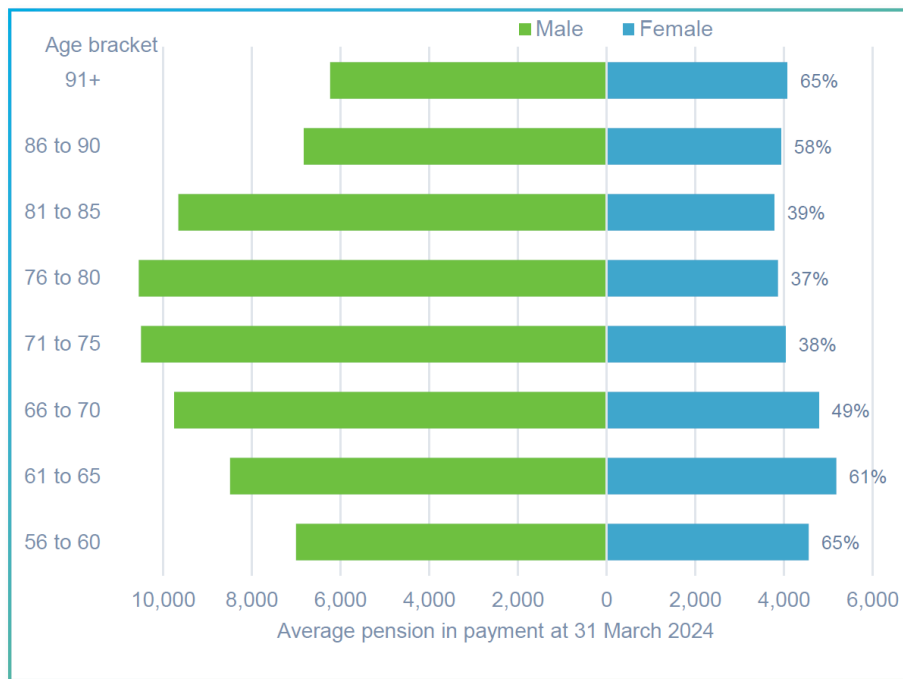
2. What is the Gender Pension Gap?

The Gender Pensions Gap is the difference between the retirement income of men and women. It can be measured by the difference in wealth at retirement, including items such as property.

3. Key Findings

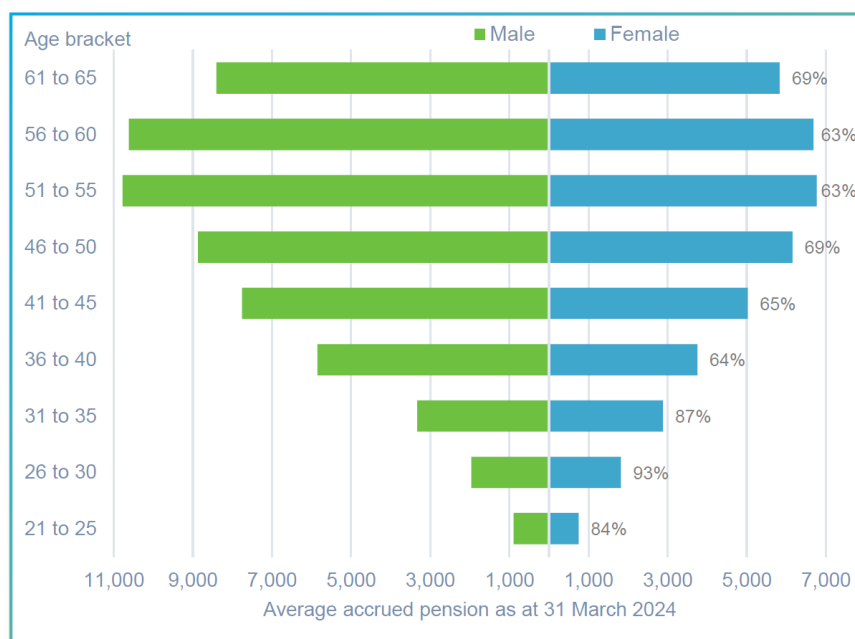
The key findings of the analysis are:

- **Existence of a Gender Pension Gap:** The analysis confirms the existence of a Gender Pension Gap within the Gwynedd Pension Fund.
- **Disparity in Pension Amounts:**
 - **Current Pensioners:**
 - On average, women receive approximately 52p for every £1 paid to men.
 - The average pension in payment as of March 31, 2024, was calculated for 5-year age brackets, split by gender.
 - The analysis indicates a significant Gender Pensions Gap across all age brackets, with the disparity being more pronounced in older age groups. For example, the report shows that for the 61 to 65 age bracket, females are receiving 61% of what their male counterparts are receiving.



○ **Active Members:**

- A Gender Pensions Gap is evident even among younger, active members, although it is less pronounced compared to older age groups. For example, the report shows that for the 31 to 35 age bracket, females are accruing 93% of what their male counterparts are accruing.
- The average accrued pension as of March 31, 2024, was calculated for active members in 5-year age brackets, split by gender.



4. Contributing Factors:

Contributing factors for the Gender Pension Gap include:

- a. **Gender Pay Gap:** A contributing factor to the Gender Pensions Gap is the difference in average full-time equivalent (FTE) salaries between genders. Females are paid 81-93% of what males are paid within the same age bracket, implying a gap range of 7% to 19%.
- b. **Working Patterns:** A significantly higher percentage of the female workforce are part-time workers compared to males. This results in women accruing less pensionable service and retirement benefits.
- c. **Age-Related Trends:** The pay and working pattern causes seem to appear from age 26-30 onwards, where maternity leave and other familial responsibilities often result in career breaks, which can adversely affect long-term pension accumulation.
- d. **Opt-Out Rates:** Higher opt-out rates among women from the LGPS further exacerbate the pension gap.

5. Recommendations

The report suggests that to fully address the gap, national-level action and changes will likely be required. However, there are also some actions that could be taken at the local level, albeit employer-driven:

- Review job profiles and pay scales to ensure genuine equality across the full spectrum.
- Check that back-to-work policies, including flexible working, fully support and encourage people who have taken career breaks back into the workplace.
- Introduce or enhance shared parental leave policies.
- Educate employees about implications for their pension any time there is a life point change that may have financial consequences.
- Let new joiners and part-time workers know that they can opt-in to the pension scheme, even if they do not meet the qualifying criteria.