



# The Local Government Pension Scheme (England and Wales)

2025 Fund Valuations  
Guidance for Gender pension gap reporting

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## Contents

1. Foreword .....	3
2. Introduction.....	5
3. Gender pension gap as at 31 March 2025 for active members .....	7
4. Gender pension gap as at 31 March 2025 for pensioners .....	10
5. Examples.....	12
Appendix A. Limitations.....	15

# 1. Foreword

## Purpose of this draft guidance document

- 1.1 The government published its consultation ‘Local Government Pension Scheme in England and Wales: Access and fairness’<sup>1</sup> in May 2025, which included new proposals for gender pension gap reporting. The government proposed that:
  - administering authorities would be required to report on two metrics: their fund-wide gender pension gap and their gender pension saving gap;
  - reporting would be required in the fund actuarial valuation report every 3 years, as well as in the annual report of that year;
  - reporting would be required from the 2025 valuation;
  - reporting would be required at the employer level, but only for employers with at least 100 employees;
  - government would work with the Scheme Advisory Board on guidance for reporting requirements.
- 1.2 The accompanying draft regulations proposed that valuation reporting is in accordance with actuarial guidance published by the Secretary of State. The access and fairness consultation closed on 7 August 2025, and the government has provided a written response dated 2 February 2026. Given the tight timeframes, a draft version of this reporting guidance was shared with fund actuaries in August 2025, to assist them in preparing to comply with this final guidance for the 2025 valuations publication. This final guidance, issued in February 2026 alongside the government response, has been amended following feedback received.

## Principles

LGPS gender pension gap reporting will increase transparency around the gaps in occupational pension wealth between men and women in the LGPS. Employers are a key audience for this information, as they hold many of the leading opportunities to influence the future equity of LGPS pension built up by employees. To be meaningful the reported statistics need to measure individual outcomes and to be focussed on elements where there is reasonable scope for action. The information needs to be straightforward to understand and consistently prepared to allow comparison between funds and between employers.

- 1.3 The LGPS gender pension gap reporting guidance supports this by stipulating statistics that must be generated as a minimum requirement. These comprise fund-level and employer focussed reporting. These are structured around the headline metrics outlined in the government consultation together with supporting variables to aid comprehension and comparison. The purpose of the supporting statistics is to highlight where the groups of men and women compared have different characteristics, for example different ages or salaries, in addition to gaps in LGPS pension wealth.

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<sup>1</sup> <https://www.gov.uk/government/consultations/local-government-pension-scheme-in-england-and-wales-access-and-fairness>

1.4 The minimum standard is designed to be feasible to implement in all cases. However, additional analysis and reporting may have potential for greater understanding and to lead to effective action. This guidance also provides further suggestions to encourage LGPS funds and their advisors to consider what else might usefully support employers and other users of these reports.

## 2025 fund valuation reporting

1.5 As well as progressing towards delivering the consultation aims, this first guidance has been written with the immediate timescales for the 2025 valuation in mind. It focuses on reporting which is expected to be straightforward to access in the membership data already collected by fund actuaries. In particular:

- The headline metrics compare accrued pension for each of active and pensioner members as a first step towards the gender pension gap and gender pension savings gap metrics outlined in the consultation document.
- Employer reporting is limited to an accrued pension breakdown by employer category using the existing categorisation approaches already used by the sector.
- All reporting should be in a dedicated section of the fund valuation report.

1.6 The supporting statistics are similarly chosen to be feasible to derive from existing data, and where possible are aligned with the standardised universal data extract. While consistency across funds is of paramount importance, there is some flexibility for pragmatic variations in areas of least materiality. This is directly noted in the guidance, e.g. allowance for McCloud remedy should be explicitly documented in the reporting from funds.

1.7 The table focused minimum standard described above is designed to be feasible to implement and **must** be included in all cases. However, this guidance note also includes suggestions for expanding beyond this which **may** improve the practical usefulness of this reporting and help readers draw important insights. Innovation is encouraged.

1.8 The LGPS gender pension gap reporting will fall within the scope of the section 13 review of 2025 LGPS fund valuations. This is expected to include the consistency of the minimum standard reporting.

## Future fund valuation reporting

1.9 This guidance aspires for the 2025 reporting to be a major step forward in transparency around the LGPS gender pension gap, building on the 2023 scheme level reports commissioned by the LGPS Scheme Advisory Board<sup>2</sup>. However, it will not deliver the full LGPS gender pension gap ambition set out in the *Local Government Pension Scheme in England and Wales: Access and fairness* consultation. This is an intentional balance to achieve the government's aim of starting reporting from 2025.

1.10 This guidance will be substantially updated to more closely reflect the final consultation outcome in good time for the 2028 round of LGPS fund valuations.

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<sup>2</sup> [https://lgpsboard.org/images/Reports/2023/GADGenderPensionGapReport\\_Jan2023.pdf](https://lgpsboard.org/images/Reports/2023/GADGenderPensionGapReport_Jan2023.pdf)  
<https://lgpsboard.org/images/GADReports/LGPSGenderPensionsGapNextStepsReport22062023.pdf>

## 2. Introduction

- 2.1 The Secretary of State for the Ministry of Housing, Communities and Local Government may issue actuarial guidance on the gender pension gap under the Local Government Pension Scheme Regulations 2013 ('the 2013 Regulations') (SI 2013/2356) as amended.
- 2.2 The legislative references are discussed below.
- 2.3 The remainder of this introduction contains:
  - details of the implementation and future review of this guidance
  - details of the legislative references
  - statements about the use of this note and third-party reliance
- 2.4 This guidance has been carried out in accordance with the applicable Technical Actuarial Standards: TAS 100 issued by the Financial Reporting Council (FRC). The FRC sets technical standards for actuarial work in the UK.

### Implementation and review

- 2.5 The Secretary of State is required to consult with GAD before issuing actuarial guidance under the 2013 Regulations [Regulation 2(3) of the 2013 Regulations].
- 2.6 As part of this consultation, the Ministry of Housing, Communities and Local Government (MHCLG) has asked GAD to recommend actuarial guidance in respect of the regulations detailed below. This document forms GAD's recommendation for the actuarial guidance required by these regulations.
- 2.7 We note that this guidance reflects a minimum reporting requirement. Where appropriate funds are encouraged to provide additional analysis to support employers in understanding the gap.
- 2.8 This note has effect only when this guidance is issued by the Secretary of State in accordance with Regulation 2(3) of the 2013 Regulations and is subject to any implementation instructions provided at that time.
- 2.9 This guidance has been written for fund actuaries and assumes knowledge of general pension terminology, and familiarity with pension calculations for the Local Government Pension Scheme (England and Wales). Any questions concerning the application of the guidance should, in the first instance, be referred to MHCLG.

### Relevant legislative references

- 2.10 The Secretary of State will be required under the 2013 Regulations to issue actuarial guidance on the gender pension gap within the fund actuarial valuation [Regulations 62(3A) of the 2013 Regulations].

## Third party reliance

- 2.11 This guidance has been prepared for the use of MHCLG and the scheme actuarial advisors for the purposes of ensuring a consistent approach in calculation of the gender pension gap for the 2025 valuation reports. This guidance may be published on MHCLG and the scheme administrator's website but must not otherwise be reproduced, distributed or communicated in whole or in part to any other person without GAD's prior written permission.
- 2.12 When issued by the Secretary of State in accordance with paragraph 2.8 above, this note should be used as the actuarial guidance required under the regulations cited. Other than for this purpose, no person or third party is entitled to place any reliance on the contents of this note, except to any extent explicitly stated herein.
- 2.13 Other than MHCLG and funds' actuarial advisors, no person or third party is entitled to place any reliance on the contents of this guidance, except to any extent explicitly stated herein. GAD has no liability to any person or third party for any action taken or for any failure to act, either in whole or in part, on the basis of this guidance, GAD has agreed to the disclosure of its advice to the third party.

### 3. Gender pension gap as at 31 March 2025 for active members

3.1 The Gender pension gaps as at 31 March 2025 for active members ('GPG') in respect of all individuals who are active members of that LGPS pension fund **must** be calculated as below and provided a percentage:

$$\text{Gender pension gap (GPG)} = [ \{ \text{Mean pension value for males} \} - \{ \text{Mean pension value for females} \} ] / \{ \text{Mean pension value for males} \}$$

In relation to pay figures a gender pay gap should be calculated consistently to the gender pension gap.

3.2 The mean pension values **must**:

- Be calculated on an individual basis:
  - In respect of fund GPG statistics all multiple membership records in a single fund **must** be summed for the purpose of the fund calculation.
  - In respect of employer category GPG statistics (see para 3.8 below) all multiple membership records across an employer category **must** be summed for the purpose of the employer category calculation.
- Aggregation – where members have opted not to aggregate their pension, or have not yet made an election to aggregate their previous period of service this **must** be treated as a deferred pension and not included in the active calculation, but where aggregation has been elected pension benefits **must** be assumed to be aggregated
- Include increases as at 1 April 2025
- Be based on membership data which is judged to have suitable veracity and completeness

3.3 The strong preference is that the mean pension value:

- Excludes McCloud underpin
- Includes all additional pension contributions and transferred in service held in the LGPS fund
- Exclude any external additional voluntary contributions (in most cases we do not expect this information to held by the LGPS fund actuary in any case)
- Includes late retirement increases for members over their normal retirement age

3.4 We recognise that differences in valuation programming could create difficulties for some advisors to implement all of the strong preferences listed in 3.3 above. Therefore, a different approach **may** be taken if it is not reasonably practical to follow the preferred approach, but this **must** be noted and explained in the report.

3.5 To provide context for the GPG figures calculated the following information **must** be provided alongside, split by sex:

- The number of active members (individuals not active member pension accounts)
- Proportion of the active membership which is of that sex

- Mean age (at valuation date)
- Mean Full time equivalent ('FTE') pay (and FTE<sup>3</sup> pay GPG<sup>4</sup>)
- Mean actual pay (and actual pay GPG<sup>4</sup>)
- Mean Career Average Revalued Earnings ('CARE') pension (and CARE GPG<sup>4</sup>)
- Mean Final Salary ('FS') pension (and FS GPG<sup>4</sup>), these values must exclude all members with a FS pension of zero
- Mean combined FS and CARE pension (and mean combined FS and CARE pension GPG<sup>4</sup>)

3.6 In addition to the required reporting set out in 3.1 to 3.5 above, funds **may** choose to include additional data items to assist funds and employers, including but not limited to:

- mean age the member joined the fund (or earlier fund if service aggregated) split by sex
- mean number of jobs held split by sex
- mean employee contribution rate split by sex
- number of members with a FS pension split by sex
- Any steps taken to ensure data used is of suitable veracity and completeness

3.7 We encourage funds to use visualisations which **may** support better understanding of the GPG and potential insights into drivers and patterns, including but not limited to:

- Graph to show the mean CARE pension and/or the FS pension at each age split by sex
- Graph to show the mean actual/FTE<sup>3</sup> pay at each age and split by sex
- Graph to show the number of members at each age and split by sex
- Graph to show the mean number of jobs at each age and split by sex
- Graph to show the mean time since date joined fund at each age and split by sex
- Heatmap 'triangle' chart to show GPG<sup>4</sup> by age (at valuation) and age at joining

3.8 In addition to the fund wide active members statistics above, the fund's employers **must** be split into the following categories and the GPG<sup>4</sup> **must** be provided for each category group. Where the number of employees for any category group is less than 100 that group **may** be excluded:

- Local authorities and connected bodies (SF3<sup>5</sup> number 1)
- Centrally funded public sector bodies excluding academies (SF3<sup>5</sup> number 2)
- Academies (SF3<sup>5</sup> number 2, local authority indicator 2)
- Other public sector bodies (SF3<sup>5</sup> number 3)
- Private/voluntary/other bodies (SF3<sup>5</sup> number 4)

3.9 The following employer level GPG<sup>4</sup> statistics **must** also be prepared for each employer category above. Where the number of employees for any category group is less than 100 that group **may** be excluded:

- The number of members
- Proportion of members
- Mean age
- Mean FTE<sup>3</sup> pay (and FTE<sup>3</sup> pay GPG<sup>4</sup>)
- Mean Actual pay (and Actual pay GPG<sup>4</sup>)

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<sup>3</sup> Where FTE is averaged for members with multiple membership records

<sup>4</sup> calculated consistently with paragraph 3.1 above

<sup>5</sup> SF3: local government pension scheme funds - guidance notes - GOV.UK

- Mean CARE pension (and CARE GPG<sup>4</sup>)
- Mean FS pension (and FS GPG<sup>4</sup>), these values must exclude all members with a FS pension of zero
- Mean combined FS and CARE pension (and mean combined FS and CARE pension GPG<sup>4</sup>)

We would encourage funds to consider if they **may** wish to provide further employer category information aligned with paragraphs 3.6 and 3.7 above.

3.10 The GPG reporting described in paragraphs 3.1 to 3.5 and 3.8 to 3.9 above **must** be included as a separate GPG appendix in the valuation report, following the Rates and Adjustment certificate.

## 4. Gender pension gap as at 31 March 2025 for pensioners

4.1 The Gender pension gap as at 31 March 2025 for pensioners ('GPG') in respect of all pensioners **must** be calculated as follows and provided as a percentage):

Gender pension gap (GPG) = [{Mean pension value for males} - {Mean pension value for females}] / {Mean pension value for males}

4.2 The mean pension in payment value **must**:

- Be calculated on an individual basis by fund (i.e. multiple membership records in a single fund **must** be summed for the purpose of this calculation, but there is no expectation to join together memberships outside of the fund).
- Include any transferred in or additional pension amounts in payment from the fund
- Exclude any dependants or child pensions
- Exclude increases as at 1 April 2025
- Be based on membership data which is judged to have suitable veracity and completeness

4.3 The strong preference is that the mean pension value:

- Includes any McCloud underpin in payment

4.4 We recognise that differences in valuation programming could create difficulties for some advisors to implement the strong preference listed in 4.3 above. Therefore, a different approach **may** be taken if it is not reasonably practical to follow the preferred approach, but this **must** be noted and explained in the report.

4.5 To provide context for the GPG<sup>6</sup> figures calculated the following information **must** be provided alongside split by sex:

- The number of members
- Proportion of members
- Mean age (at valuation)
- Mean pension and GPG<sup>6</sup>

4.6 In addition to the required information set out above funds **may** choose to include the following additional data items to assist funds and employers, including but not limited to:

- Mean CARE pension amount
- Mean FS pension amount
- Mean partner pension amount (i.e. contingent amount due on death of pensioner)
- Mean number of retirement pension accounts
- Mean age at retirement
- Any steps taken to ensure data used is of suitable veracity and completeness

4.7 We encourage funds to use visualisations which **may** support better understanding of the GPG<sup>6</sup> and potential insights into drivers and patterns, including but not limited to:

- Graph to show the distribution of total pension amounts for individuals split by sex

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<sup>6</sup> calculated consistently with paragraph 4.1 above

- Graph to show the GPG<sup>6</sup> at each age
- Graph to show the number of pensioners at each age and split by sex
- Graph to show the mean pension at each age and split by sex
- Heatmap 'triangle' chart to show GPG<sup>6</sup> by age (at valuation) and age at retirement

4.8 The GPG reporting described in paragraphs 4.1 to 4.5 above **must** be included within a separate GPG appendix in the valuation report, following the Rates and Adjustment certificate.

## 5. Examples

5.1 The following section provides an illustration of the requirements for the GPG Reporting<sup>7</sup>.

5.2 Below is an example of a table of the data that **must** be provided for active members and each employer category group:

	Number of Members	Percentage of overall membership	Mean age	Mean FTE pay (£)	Mean actual pay (£)	Mean CARE pension <sup>1,2,3</sup> (£)	Mean FS Pension <sup>1,2,3</sup> (£)	Mean combined FS and CARE Pension <sup>1,2,3</sup> (£)
<b>Females</b>	1,199,566	74.1%	45.46	24,018	18,807	1,656	3,855	3,198
<b>Males</b>	419,888	25.9%	45.45	28,874	27,532	2,536	7,197	5,416
<b>Gender gap</b>				<b>16.8%</b>	<b>31.7%</b>	<b>34.7%</b>	<b>46.4%</b>	<b>41.0%</b>

<sup>1</sup> Strong preference is for funds to exclude the McCloud underpin for the purpose of this table however funds may choose to include the McCloud underpin in which case a note should be added to state this.

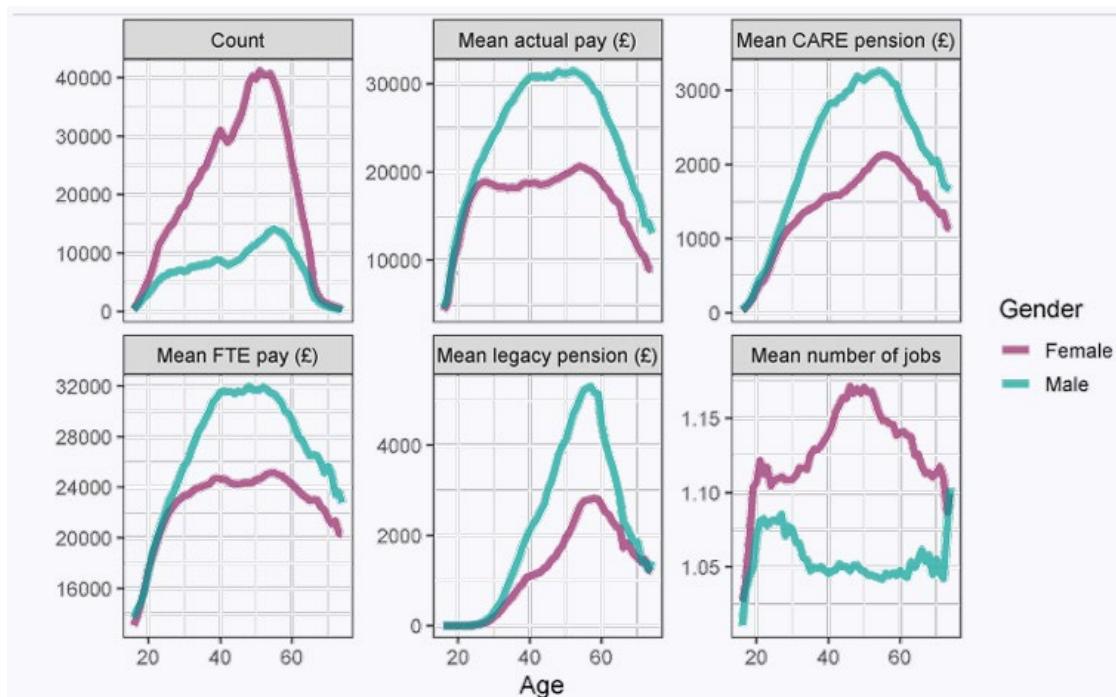
<sup>2</sup> Strong preference is for funds to include additional years purchased or transferred into the fund however funds may choose to exclude these amounts in which case a note should be added to state this.

<sup>3</sup> Strong preference is for funds to include late retirement additions, however funds may choose to exclude these amounts in which case a note should be added to state this.

<sup>7</sup> Some tables and charts in this example section use statistics from the Gender Pension Analysis note prepared for the LGPS SAB which can be found here [https://lgpsboard.org/images/Reports/2023/GADGenderPensionGapReport\\_Jan2023.pdf](https://lgpsboard.org/images/Reports/2023/GADGenderPensionGapReport_Jan2023.pdf)

## Gender pension gap reporting

5.3 The following are examples of charts that funds may wish to provide alongside the above table (at both fund and employer category group level):



5.4 The additional examples of charts that funds **may** wish to provide (at both fund and employer category group level). Please note these charts have not been based on previous analysis and are intended as purely illustrative:



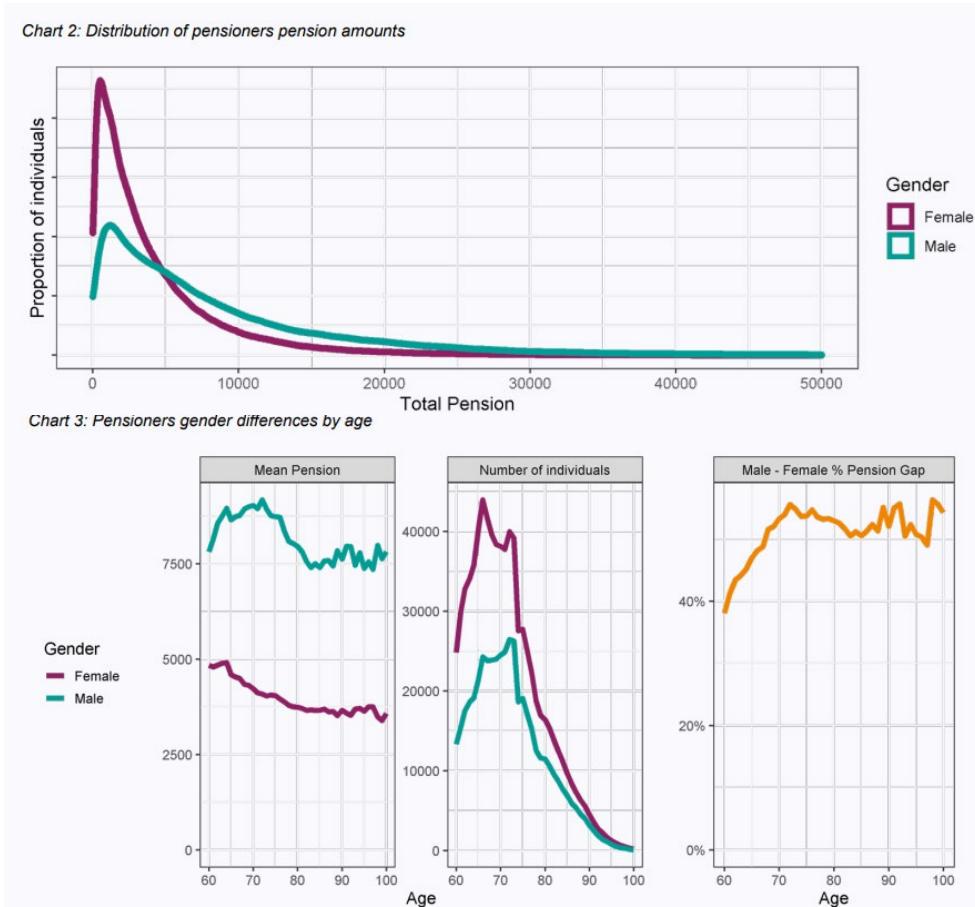
5.5 Below is an example of a table of the data that **must** be provided for pensioner members:

$$\text{Gender pension gap (GPG)} = [\text{£8,466} - \text{£4,285}] / \text{£8,466} = 49.4\%$$

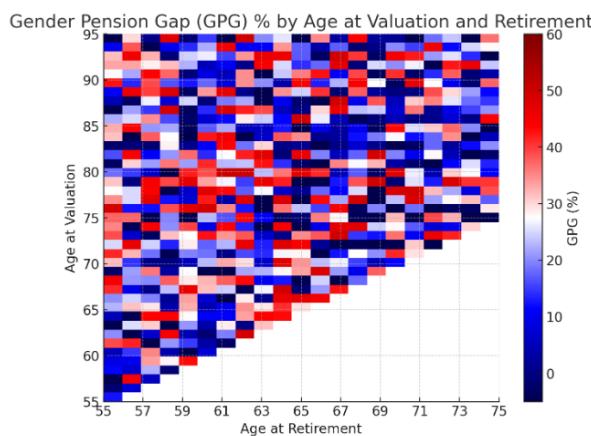
	Number of Members	Percentage of overall membership	Mean age	Mean pension (£) <sup>1</sup>
<b>Females</b>	833,330	62.0%	70.45	4,285
<b>Males</b>	511,332	38.0%	71.30	8,466
<b>Gender gap</b>				<b>49.4%</b>

<sup>1</sup> Strong preference is for funds to include the McCloud underpin for the purpose of this table however funds may choose to exclude the McCloud underpin in which case a note should be added to state this.

5.6 The following are examples of charts that funds **may** wish to provide alongside the above table:



5.7 The additional chart that funds **may** wish to provide is the heatmap of GPG by age at valuation and retirement. Please note this example chart have not been based on previous analysis and are intended as purely illustrative:



## Appendix A. Limitations

- A.1. This guidance should not be used for any purpose other than those set out in this guidance.
- A.2. Advice provided by GAD must be taken in context and is intended to be considered in its entirety. Individual sections, if considered in isolation, may be misleading, and conclusions reached by a review of some sections on their own may be incorrect. GAD does not accept responsibility for advice that is altered or used selectively. Clarification should be sought if there is any doubt about the intention or scope of advice provided by GAD.
- A.3. This guidance only covers the principles around the calculation and application of Gender pension gap and supporting information. Any legal advice in this area should be sought from an appropriately qualified person or source.
- A.4. This guidance is based on the Regulations in force at the time of writing combined with the draft regulations published as part of the Access and Fairness consultation and MHCLG's stated objectives in response to the consultation. This guidance has been drafted specifically in relation to the 2025 valuations. MHCLG have considered the responses to the Access and Fairness consultation and intend to strengthen the reporting requirements in respect of 2028. To assist actuaries with their planning these requirements will be set out as high level changes that are expected to be included in revised guidance to be issued prior to 31 March 2028. It is possible that future changes to the Regulations might create inconsistencies between this guidance and the Regulations. If users of this guidance believe there to be any such inconsistencies, they should bring this to the attention of MHCLG and GAD. Under no circumstances should this guidance take precedence over the Regulations. Administrators and fund actuaries should ensure that they comply with all relevant Regulations.