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Tackling the Gender Pension Gap

8th annual report, April 2026

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Tackling the gender pension gap

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Introduction

In our eighth annual report about the gender pension gap in the UK, we estimate the gap in 2023-24 (the latest year data is available for) to be 32.9%, the lowest we ever recorded.



The estimated gap has fallen from 44.9% in 2011-12 to 32.9% in 2023-24. This reduction is very welcome, but it

is no grounds for complacency:

- At 32.9%, the gender pension gap for 2023-24 is much more than twice the gender pay gap in April 2024 (13.1%).
- It is not possible to extrapolate from the reduction in the estimated gap since 2011-12. This trend was the result of several historic factors; while some of these will persist, there will always be a gender pension gap as long as there is a gender pay gap. Until caring responsibilities are properly recognised in the pension system (or shared more equally by gender), the pension gap will probably remain larger.
- The UK has the second highest gender pension gaps of all the countries in the OECD¹.
- There are serious threats to close the public service pension schemes that are currently

available to millions of workers, and this would eventually reverse many years' worth of progress in closing the gap.

So, while we welcome the progress made so far, we must redouble efforts to implement the policies needed to address all the main causes of gender inequality in retirement incomes.

This is inherently a political problem; progress depends on governments at all levels accepting the need for action and implementing effective policies.

In this context, I am very happy to report on the extremely positive way that the current UK government has engaged on this issue since it took office less than two years ago.

The Pension Minister confirmed he would regularly monitor the size of the gender pension gap and publish updated estimates based on the Wealth and Asset survey².

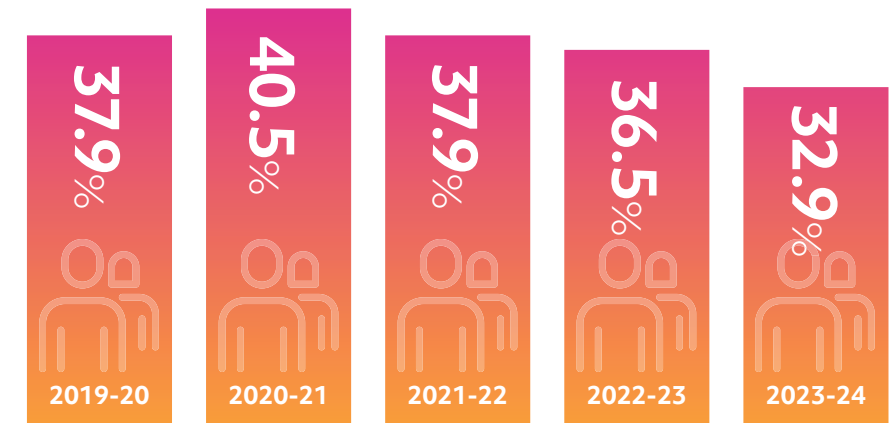
Our previous reports have emphasised the need to have better recognition of caring responsibilities in the pension system to have more equal retirement outcomes.

The government has re-established the Pension Commission to finish the job of delivering financial security in retirement.

¹ See Figure 2.1: Pensions at a Glance 2025 (EN) (Note figures for different countries are not always directly comparable) – https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/11/pensions-at-a-glance-2025_76510fe4/e40274c1-en.pdf

² <https://questions-statements.parliament.uk/written-questions/detail/2025-03-27/42180>

Gender pension gap 2019-2024



Major reform of the pension system, including better recognition of caring in the pension system, will have to wait until the Pension Commission publishes its final report in 2027.

But it is very welcome that the terms of reference of the Pension Commission specifically included improving outcomes for those “at the greatest risk of poverty or under saving”³.

We are very encouraged by this, and by discussions with the Commission, and are hopeful that they will make proposals that address inequalities in retirement outcomes for women.

In the meantime, government manages workplace pension schemes for millions of its own employees and can take direct action to address inequality in those schemes today.

It is in this policy area that the current UK government has started to take action that could ultimately deliver the most progress in tackling the gender pension gap in many years.

Just this month, significant reforms that will improve the pensions of millions of women working in local government in England and Wales took effect⁴.

Discussions about applying similar reforms to millions of other women members of schemes managed by UK government ministers are currently underway⁵.

The Scottish government has also consulted⁶ on changes to the pension scheme for local government workers there, and we hope they will soon benefit from similar reforms too.

The UK government’s landmark review of parental and carer’s leave will also result in policies that ultimately help reduce the gender pension gap.

These developments are all hugely welcome. With measures tackling the gender pay gap and improved childcare support, they provide a foundation for further progress.

But progress is not inevitable. The measures that led to this welcome reduction in the gender pension gap all had to be fought for and won.

The entire framework for many of these successes, the Equality Act 2010 (which incorporates the Equal Pay Act 1970 and other landmark legislation) is under threat.

Reform UK, currently leading opinion polls, has pledged to repeal the Equality Act 2010. It is impossible to overstate the implications this would have for all strands of equality work.

Not content with undermining statutory equality protections, Reform UK is also making flexible working arrangements a front of its culture war.

Attacking the right to work flexibly disproportionately affects women, impacting workforce participation and career progression, with negative consequences for the pension gap.

Moreover, Reform UK has also proposed closing public service pension schemes to new entrants.

Closing these schemes would be prohibitively expensive to taxpayers and would greatly slow down, if not reverse, future progress in tackling the gender pension gap.

While the above threats are real, Prospect remains optimistic that we will continue to make progress on tackling the gender pension gap.

This will require those who believe in equality redoubling their efforts to build on past successes and push for more progress.

We look forward to working on this with our members, representatives, employers and other trade unions over the next year.

Sue Ferns OBE

Senior Deputy General Secretary

³ <https://www.gov.uk/government/publications/pensions-commission-terms-of-reference/pensions-commission-terms-of-reference>

⁴ <https://www.gov.uk/government/news/pension-scheme-reforms-to-tackle-gender-pension-gap>

⁵ See, for example: <https://union.prospect.org.uk/resource/gender-pension-gap-letter-from-civil-service-minister-2026.html>

⁶ <https://pensions.gov.scot/local-government/scheme-governance-and-legislation/consultations>

The size of the gender pension gap

We estimate that the UK's gender pension gap – the percentage difference in pension income for female pensioners compared to male pensioners – was 32.9% in 2023-24.

This is much more than twice the gender pay gap of 13.1% in 2024 and represents an average difference in pension income by gender of about £7,000 a year.

The chart below shows the size of the gender pension gap, and the gender pay gap for the most recent years data is available for.

This level of inequality is unacceptable. It has a hugely detrimental impact on the quality of life of tens of millions

of women over many decades of retirement.

The above chart clearly shows that the gender pension gap is a bigger problem than the gender pay gap (though the gender pay gap is also a cause of the gender pension gap).

Unfortunately, the profile of the gender pension gap is far lower and, consequently, the approach to monitoring and narrowing it is far less developed.

The ONS publishes an annual report on the size of the gender pay gap in the UK and there is also a gender pay gap reporting regime for organisations with 250 or more employees.

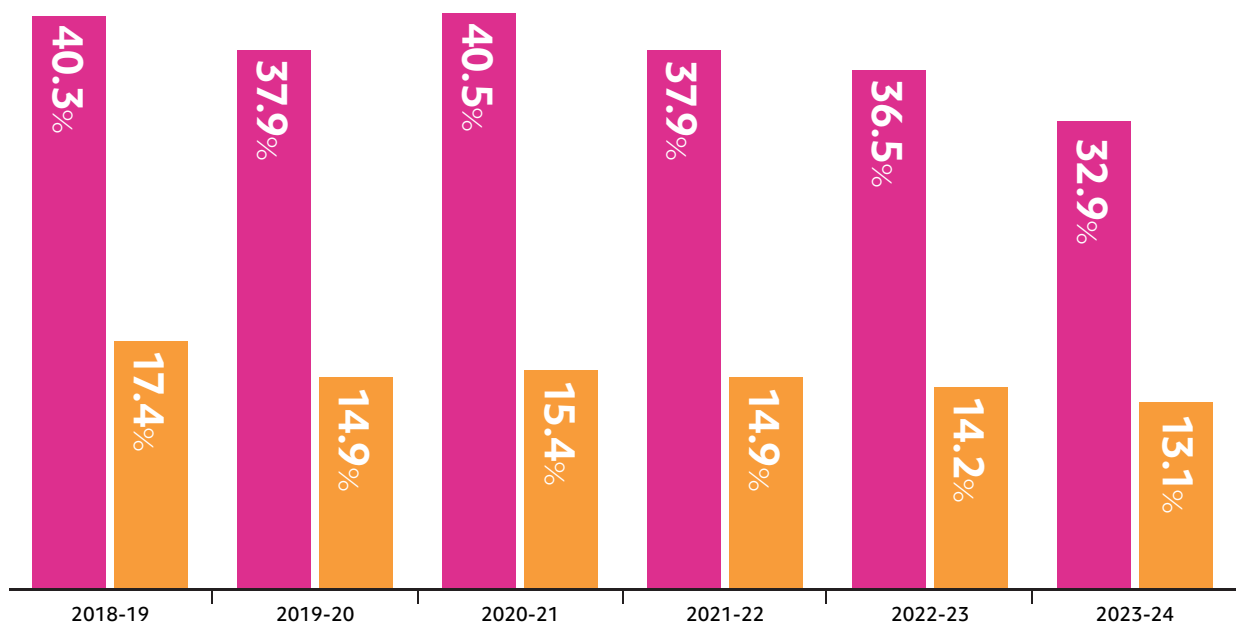
These generate a wealth of data about the gender pay gap that result in a wide variety of press coverage, academic papers and parliamentary debates.

These, in turn, put Ministers under pressure to develop further policies to tackle it (such as producing guidance for businesses on developing action plans to reduce their gap⁷).

The above is an example of a virtuous policy cycle: policies and practices creating a feedback loop that leads to continuous improvement.

By contrast, there is much less published data on the gender pension gap and consequently

Gender pension gap vs gender pay gap



⁷ Creating an action plan: guidance for employers – <https://www.gov.uk/government/publications/creating-an-action-plan-guidance-for-employers>

much less coverage of the problem and pressure for action.

The DWP publishes detailed information about the gender gap in state pension income (and, perhaps unsurprisingly, this eventually resulted in policy action to close that gap).

However, no equivalent official information about the size of the overall gender pension gap in the UK existed when Prospect published our first of these reports.

There were several reports about gender gaps in pension savings from different private pension providers.

These reports were more selective than comprehensive, and they often resulted in calls for action by women (to save more) rather than for government to change policy.

There have also been ad hoc reports from organisations like the Pensions Policy Institute and the Institute for Fiscal Studies in this area.

While this work was very informative and produced strong policy recommendations, the lack of an official estimate to measure the size of the gap was holding back progress.

The main aim of our first report on the gender pension gap was simply to publish a robust estimate of the size of the gap in the UK, based on official data.

We hoped that this would increase the profile of the problem and help instigate government action to monitor and narrow it,

The definition of the gender pension gap that we adopted was, in large part, from necessity

based on the official data that was available to work with.

However, there are certain advantages to an income-based measure of the gap and our time series dating back to 2011-12 is important for tracking progress over time.

In the next section of this report, we examine the trend in our estimate of the gender pension gap and comment on what that might tell us about the future.

We always recognised that an official government measure of the UK's gender pension gap would be even more effective at raising the profile of this issue.

From our first report, we called on the government to publish such an estimate. We welcomed the initial government report on the gender gap in private pension wealth.

We also welcomed the government's commitment to regularly update its reporting as further data on private pension wealth became available.

Our intention was to promote the government's estimates as

the main benchmark for assessing progress towards achieving gender equality in retirement outcomes.

However, as discussed later in this chapter, certain issues with the underlying data on private pension wealth may mean that our published estimates are more suitable.

It is important to point out that our estimates are a measure of gender inequality in retirement incomes, and not a measure of pension adequacy or pensioner poverty.

When assessing pension adequacy or the risk of pensioner poverty, household income or wealth may be more relevant.

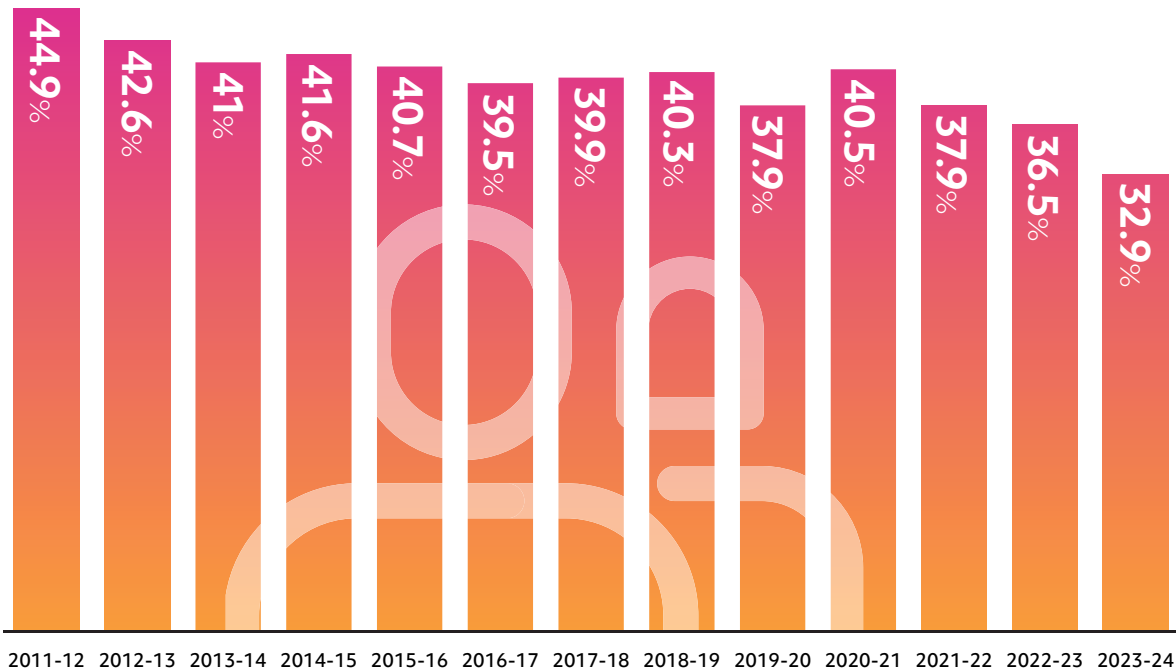
However, persistent income inequality by gender (or other protected characteristics) is an important issue in its own terms and one government has a duty to address.

For all the above reasons, we think that publishing our latest estimates of the UK's gender pension gap still has value and we intend to continue doing so for the foreseeable future.



This level of inequality is unacceptable. It has a hugely detrimental impact on the quality of life of tens of millions of women over many decades of retirement.

Gender pension gap* (* Prospect's estimates)



Lowest ever estimate of the size of the gender pension gap

The chart above shows the full time series of our estimates of the size of the gender pension gap from 2011-12.

This series shows that the estimated size of the gender pension gap has generally been declining over time, and that our estimate for 2023-24 is a new record low.

The trend is even clearer once the increase in 2020-21 is attributed to issues with the underlying data caused by low response rates to surveys during the COVID-19 pandemic.

These data issues persisted beyond the pandemic and may have also obscured the extent of the downward trend in the estimate of the gender pension gap in later years.

Whatever the short-term impact of these issues, the longer-term downward trend, from 44.9% in

2011-12 to 32.9% in 2023-24, is very clear.

This reduction in gender inequality in retirement incomes is very welcome, but it needs to be considered in context.

Firstly, the current level of the gender pension gap, though significantly lower than it was in 2011-12, is still unacceptably high.

Secondly, it would be wrong to extrapolate from this trend and conclude we are on track to bring the size of the gender pension gap to an acceptable level in a reasonable timeframe.

It is important to understand the nature of our estimate of the size of the gap to know why past trends cannot simply be extrapolated into the future.

There is more detail in the next section, but Prospect publishes an estimate of the gender pension gap based on the difference in pension incomes of retired men and women.

This means our estimate is a backward-looking measure: changes in retirement income for pensioners today largely reflect

labour market and policy changes over past decades.

There have been labour market trends and pension policy developments in past decades that are behind the reductions in our measure of the gender pension gap.

Some of the most important of these trends and policies are:

- The reduction in the size of the gender pay gap due to various policies and social and labour market trends over past decades.
- Greater female participation in the workforce over past decades.
- Greater female participation in pension schemes (relative to male participation – particularly driven by part-time workers) over past decades.
- Increased state pension entitlement for women (relative to men – driven by the introduction of HRP and, much later, the new state pension) over past decades.

As well as the significant reduction in the gender pension gap already experienced, these trends and policies will contribute to further reductions in future years.

But even if some of these trends reached their conclusion (ie the gender pay gap was closed, equal state pensions), there would still be a sizeable gender pension gap.

This is because the impact of caring responsibilities on the gender pension gap will continue to persist (for as long as women undertake a disproportionate share of caring).

The impact of caring responsibilities on the time spent in paid employment, and thereby accruing workplace pension benefits, is significant.


For this reason we have consistently called for better recognition of caring responsibilities in the pension system in order to fully address the gender pension gap.

Technical description of Prospect's estimate of the gender pension gap

For the reasons outlined in previous reports, Prospect's definition of the gender pension gap is:

"The percentage difference in average gross pension income for women receiving the state pension, compared to the average gross pension income for men receiving state pension."

This is different from the definition the government has used for its official measure of the size of the gender pension gap (see *below*).



The percentage difference in average gross pension income for women receiving the state pension, compared to the average gross pension income for men receiving state pension.

Our estimate is an income-based measure and hence is backward-looking: differences in today's pensioners' incomes reflect trends and policies over many previous decades.

The backward-looking nature of the estimate makes it difficult to track the impact of current policies on narrowing the gap over time.

On the other hand, our measure does have the advantage of a long time series to examine trends.

Our measure is also available on a timely basis and includes important elements of retirement incomes (eg state pensions) that are excluded from other measures.

Our estimate is derived from an analysis of official data: responses to the Family Resources Survey (FRS).

The FRS is a continuous household survey that collects information on a representative sample of private households in the United Kingdom.

FRS data are designated by the UK Statistics Authority as National

Statistics and are used to provide the Department for Work and Pensions (DWP) with important information.

We do not claim that our estimate is definitive, but we believe it is a good indicator of gender inequality in retirement incomes that is supported by other data sources.

It is important to note the limitations of our estimate, which is subject to:

- sampling error
- under-reporting of pension income
- exclusion of people in nursing or retirement homes from the sample
- weighting of responses to correct for differential response rates.

In addition to the usual uncertainties affecting any estimate based on responses to the FRS, recent estimates have been subject to greater uncertainty due to Covid-19.

The pandemic affected the data collection method, the response rate achieved and the distribution of characteristics among respondents to the FRS.

Our analysis of the latest datasets of responses suggests that the Covid-19 issues are mostly resolved with the characteristics of respondents much closer to earlier years.

The government's estimate of the gender pension gap in private pensions

On 5 June 2023, the DWP published its first ever ad hoc statistical release on the gender pension gap in private pensions across Great Britain⁸.

Following commitments that the government would continue to monitor and narrow this gap, a further statistical release was published on 21 July 2025⁹.

The DWP worked across government departments, and received suggestions from external organisations, to create an appropriate definition of the gender pension gap to report on.

Ultimately, it decided on an estimate of the gender pension gap in private pensions that was defined as:

“The percentage difference between female and male uncrystallised median private pension wealth around normal

minimum pension age for those individuals with private pension wealth.”

There are advantages and disadvantages to this definition of the gender pension gap from a technical point of view.

For example, it is less backward-looking than our estimate of the gender pension gap based on pensioner incomes. It will be more responsive to policies that are intended to address it.

By looking at the gap for those around normal minimum pension age, this measure allows for the full extent of the gap, which emerges and grows over working lifetimes.

By design, this measure does not allow for differences in entitlement to state pension. However, the current system will eventually result in gender equality in state pensions.

The measure only includes those who have some private pension wealth and is therefore likely to exclude more women with low levels of pension wealth than men.

This estimate comes from an analysis of responses to the Wealth and Assets Survey, a longitudinal survey carried out by the ONS which gathers information on the level of assets, savings and debt amongst households and individuals.

Wealth and Assets Survey data is designated as a National Statistic. Respondents are questioned every two years.

The biggest issue with this measure of the gender pension gap

is the comparability of the first two estimates.

The DWP's official estimate of the gender pension gap on this measure was 35% (for the period 2018 to 2020) and 48% (for the period 2020 to 2022).

There were significant changes in the methodology of estimating pension wealth between the 2023 and 2025 releases.

For example, the discount rate for converting future income into current pension wealth was changed from a market-based rate to one based on the SCAPE approach (though the old methodology would have resulted in an even higher estimate for 2020 to 2022).

The COVID-19 pandemic, necessitating a change from face-to-face to telephone interviews, led to challenges with the representativeness of the data underpinning the 2020 to 2022 estimate (primarily by housing tenure).

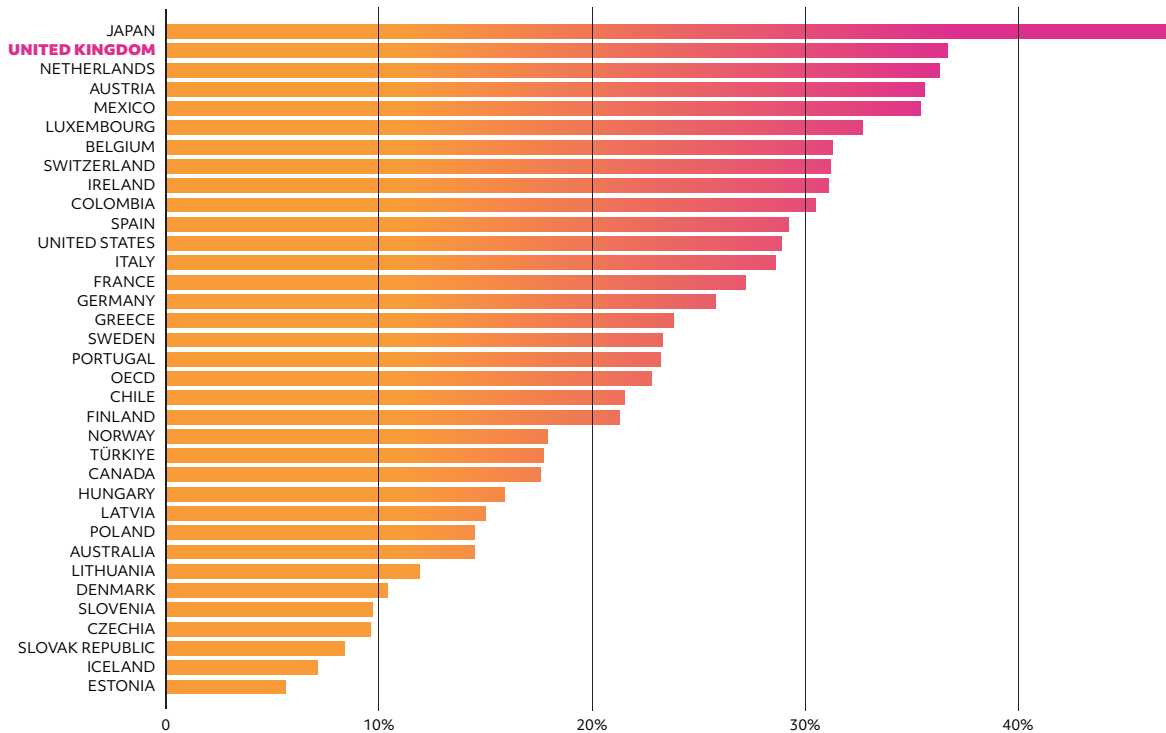
The impact of COVID-19, combined with the sensitivity of the results to underlying assumptions (95% confidence intervals for median women's and men's wealth are £70,000 to £95,000 and £111,000 to £207,000 respectively), means that it is very difficult to draw conclusions about the direction of the trend in the gender gap in private pension wealth.

The Institute for Fiscal Studies has also published an analysis of the shortcomings of estimates of

8 *The Gender Pensions Gap in Private Pensions: 2018 to 2020* – <https://www.gov.uk/government/statistics/gender-pensions-gap-in-private-pensions/the-gender-pensions-gap-in-private-pensions>

9 *Gender Pensions Gap in Private Pensions: 2020 to 2022* – <https://www.gov.uk/government/statistics/gender-pensions-gap-in-private-pensions-2020-to-2022/gender-pensions-gap-in-private-pensions-2020-to-2022>

Gender pension gap by country



private pension wealth based on the Wealth and Assets Survey¹⁰.

For these reasons, the government's estimate of the gender pension gap in private wealth is not yet robust enough to be a reliable benchmark for progress in tackling the UK's gender pension gap.

However, regardless of issues related to the comparability of its first two estimates, the government's approach confirms that the level of the UK's gender pension gap is unacceptable and must be addressed.

In time, we hope that the robustness of the government's approach increases and its official measure of the gender pension gap achieves a higher profile, resulting in much greater prominence for this problem and the need to tackle it.

If it is not possible to establish a reliable benchmark for assessing progress on tackling the gender pension gap using data on private pension wealth, it may be preferable for the government to

adopt a measure based on pension income.

The UK's gender pension gap in an international context

The OECD's eleventh edition of the 'Pensions at a Glance' series published in 2025 included an in-depth analysis of gender differences in pensions in major economies.

This report contains much useful analysis of the main causes of the gender pension gap and different approaches to tackling it.

Perhaps the most useful data in the report is the international comparison of the gender pension gap.

The graph above shows the estimate of the gender pension gap for major economies in 2024 (or the latest year that data was available for).

The UK's record, with the second highest reported gender pension gap, is not one to be proud of

(though the UK data is from 2021, compared to 2024 for most other countries).

The report identifies the high reliance of the UK's pension system on private pension savings as the main reason for the UK's high gender pension gap.

Private pension systems reflect labour market inequalities in relation to earnings and participation.

Countries with stronger state pensions tend to have lower gender pension gaps, as state pension systems tend to compress gender gaps.

The UK's state pension system can award credits to parents (disproportionately mothers) taking time out of paid employment to look after young children, private pensions do not.

The OECD also highlighted the earnings trigger of £10,000 under Automatic Enrolment as a factor excluding part-time workers (disproportionately women) from private pensions.

10 <https://ifs.org.uk/publications/how-wealth-distributed-across-british-households-reassessing-valuation-pensions>

Action taken by the UK government

Closing the gender pension gap requires political commitment, because it ultimately relies on actions that only government can take.

Most of the main policy levers available that could tackle the gender pension gap are in non-delegated areas and are therefore the responsibility of the UK government.

The current UK government has only been in office for less than two years, but it has already taken several important steps in this area.

These steps are very welcome and demonstrate a high priority on tackling inequality and improving retirement outcomes for women.

In certain important areas, the UK government is in the process of undertaking reviews. This is understandable, but it is important that real action follows.

In particular, Prospect has long campaigned for better recognition of caring responsibilities in the pension system.

Recognition of the workplace pension that carers would have built up if they had not spent fewer hours in paid employment due to their caring responsibilities is required.

In previous reports we have explained why a flat-rate credit, of an additional amount per week for every year a carer was not in paid employment would be a suitable approach.

A credit of £3 per week in 2026-27 prices would be simple to administer, easy to understand, target those most in need and have no upfront costs.

The Pension Commission

The UK government has re-established the Pension Commission to finish the job of delivering financial security in retirement.

This implicitly demonstrates the government's understanding that the current pension settlement does not deliver acceptable retirement outcomes for all groups.

As women and carers are amongst those most at risk of poor outcomes under the current system, they stand to benefit most from the Commission's work and recommendations.

The Commission's terms of reference explicitly task it with considering the position of those at greatest risk of under saving for retirement.

We are confident that the Commission's final report will include recommendations about how retirement outcomes for women and carers can be improved.

As stated in previous reports, we believe that an additional state pension credit is the most appropriate way of recognising caring responsibilities in the pension system.

This has several advantages over alternative proposals, such as requiring employers to continue to contribute to workplace pensions on behalf of carers.

First and foremost, it is more likely to gain acceptance from Treasury as it does not impose upfront costs on taxpayers (through tax relief or otherwise) or employers.

Secondly, a flat-rate credit is redistributive and will benefit those most likely to be at risk of pensioner poverty the most.

Of course, the Commission will take evidence from a wide range of groups and will come to its own conclusions about how to address poor retirement outcomes for women and carers.

It will be important for as wide a range of stakeholders as possible to support any emerging consensus on how to improve outcomes for these groups.

The window of opportunity for delivering practical action will be at it widest in the period between the publication of the Commission's final report and the next general election.

Commitment to continue monitoring and narrowing the gender pension gap


The UK government's explicit commitment to monitor and narrow the gender pension gap is very welcome.

This commitment will obviously facilitate continued publication of an official estimate of the size of the gap.

We have long called for a commitment to ongoing publication of an official measure of the size of the gender pension gap.

This will help raise the profile of the problem and generate demand for policy actions to address it.

As noted above, the government's measure of the gender pension gap is based on



Across the course of a woman's life, such gaps – such as taking unpaid maternity leave or taking an unpaid absence to look after children or perform other caring responsibilities – all add up.

private pension wealth and is defined as:

- “The percentage difference between female and male uncrystallised median private pension wealth around normal minimum pension age for those individuals with private pension wealth.”

In practice, this is estimated based on an analysis of responses to the Wealth and Assets Survey and is therefore updated every two years.

There are issues with the sensitivity of these estimates to underlying assumptions that make it difficult to use this measure as a benchmark for progress in closing the gap.

We would welcome future work on the robustness of these estimates or consideration by the government of adopting an earnings-based measure instead.

Reforms to the Local Government Pension Scheme (England and Wales)

The government has asked the Pension Commission to look at how financial security is delivered by the overall pension system.

But it did not have to wait for the Pension Commission’s findings to start to address the gender pension gap in the schemes it manages on behalf of millions of its own employees.

Previous analysis by the Government Actuary’s Department showed that the gender pension gap in the Local Government Pension Scheme (England and Wales) was 49%¹¹.

This scheme has over 6 million members¹² (over 2 million currently active), so tackling the rules that drove this inequality could make a meaningful impact on the UK’s overall gap.

The government is to be congratulated for launching a consultation¹³ on measures that would address the gender pension gap in this scheme on 15 May 2025.

The final measures outlined in the government’s response¹⁴ will make a meaningful difference to the retirement outcomes of millions of women.

Combined, these changes to just one scheme’s regulations have the potential to make a material difference to the UK’s overall gender pension gap.

The basis for the government’s decision to consult on measures to tackle the gender pension gap in this scheme is worth highlighting:

- “... millions of low-paid women working to provide local public services have worse pensions than their male counterparts.
- “Many of the reasons for the gap are not in scope of MHCLG’s role as the responsible authority for the LGPS, such as greater part-time working and caring

responsibilities for women. Pensions are a function of pay, and so any gender pay gap will always translate to a gender pension gap.

- “The government believes that, beyond differences in pay and part-time working, the periods of a woman’s career when she is not accruing a pension contribute significantly to the gap. Across the course of a woman’s life, such gaps – such as taking unpaid maternity leave or taking an unpaid absence to look after children or perform other caring responsibilities – all add up.”

We greatly appreciate the government’s acknowledgement of the underlying causes of the gender pension gap in this scheme, and more generally.

The logic that persuaded ministers to take action to address the gap in this scheme applies equally to the other schemes managed by government, and to the overall pension system.

The four specific changes to LGPS (England and Wales) rules proposed in the consultation document were:

1 Make authorised unpaid absences under 31 days automatically pensionable

Most authorised unpaid absences under 31 days in the LGPS are

¹¹ Gender pensions gap report – <https://www.gov.uk/government/news/gender-pensions-gap-report>

¹² Membership | LGPS Board – <https://lgpsboard.org/scheme-annual-report/scheme-annual-report-2024/membership/>

¹³ <https://www.gov.uk/government/consultations/local-government-pension-scheme-in-england-and-wales-access-and-fairness/local-government-pension-scheme-in-england-and-wales-access-and-fairness>

¹⁴ <https://www.gov.uk/government/consultations/local-government-pension-scheme-in-england-and-wales-access-and-fairness/outcome/local-government-pension-scheme-in-england-and-wales-access-and-fairness-government-response>



The percentage difference in average gross pension income for women receiving the state pension, compared to the average gross pension income for men receiving state pension.

taken by women (probably due to women being more likely to have to take time off if a child is ill).

The system for making these periods pensionable was difficult and cumbersome and most members did not take advantage of it.

The government proposed making such periods pensionable automatically. This would cost employers but protect women members against periods when no pension was built up.

Some respondents felt a threshold of 14 days would deliver the policy intent, by addressing short breaks for family emergencies, in a more manageable way.

Consequently, the government changed the scheme regulations from April 2026 to make authorised unpaid absences under 15 days automatically pensionable.

2

Buying back pension lost in an unpaid break of over 30 days

The process of buying back lost pension for unpaid absences over 30 days disproportionately affected female members of the scheme.

The time-limit to buy back any lost pension during unpaid absences with permission, was 30 days.

The government proposed extending this to one year to give members more time to understand their options and to potentially make it more affordable.

The government also proposed charging the standard member contributions that would have been payable under the scheme if the

member had not been on unpaid leave.

These changes took effect from April 2026 (with the change to calculating contributions applying to unpaid breaks over 14 days, in line with the first proposal above).

These proposals are likely to greatly increase the number of scheme members returning from extended maternity leave making more of this time pensionable in the scheme.

3

Pension contributions during child-related leave

One of the most significant gaps in a woman's pensionable service is often maternity or adoption leave.

In the LGPS, a woman who took the full 52 weeks that she is entitled to under statutory maternity leave, had 26 weeks of ordinary maternity leave (pensionable), 13 weeks of additional maternity leave where some pensionable pay is received (pensionable for those who receive pensionable pay during this period) and 13 weeks of

additional maternity leave where no pensionable pay is received (not pensionable).

The government proposed making additional maternity leave, additional adoption leave and shared parental leave during which no pay is received automatically pensionable, with the cost to be met by the employer.

This change took effect from April 2026.

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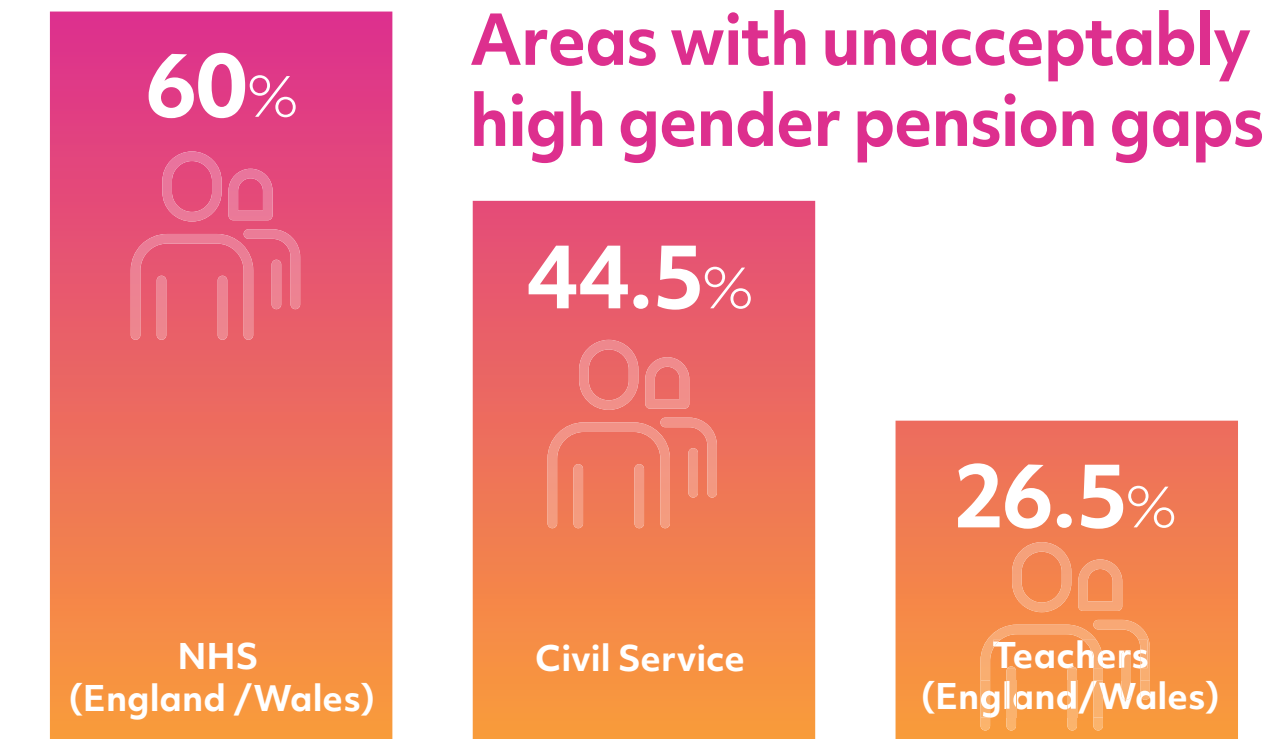
Mandatory gender pension gap reporting

The LGPS has not collected information on the difference between accrued pensions of men and women.

The government proposed making gender pension gap reporting mandatory in the scheme.

The intention was both to gather data to understand the gap better and to encourage employers to focus on the factors that may be contributing to it.

Most respondents were supportive of the proposal, and



the government intends to proceed with it.

Due to limited time ahead of 2025 actuarial valuation reports, the government will require a limited form of gender pension gap reporting for 2025 only.

Following the 2025 valuation, the intention is to work with the sector towards fuller gender pension gap reporting for the 2028 valuation.

Reforms to the other public service schemes managed by the UK government

There are over three million active members of the next three biggest pension schemes managed by the UK government.

The chart above shows that the gender pension gaps are also unacceptably high in these schemes.

While the demographics of each scheme are different, and different

rule changes might be more relevant or appropriate in different scheme, the government's overall approach to the LGPS should also be applied to these scheme (and all schemes that it manages) as well.

Prospect is aware of discussions about the gender pension gap in the NHS (England and Wales) and Teachers (England and Wales) schemes at Scheme Advisory Board level.

We know that colleagues in health and teaching trade unions are making strong representations for reforms in line with those implemented in the LGPS.

Prospect is directly involved in the Scheme Advisory Board and other governance structures of the civil service pension scheme.

We had previously raised the unacceptable size of the gender pension gap in this scheme and been disappointed that the responses did not recognise the scheme manager's ability to address this problem in a similar way to the LGPS.

Following the more positive approach set out in the LGPS consultation document published last year, Prospect approached the scheme manager of the civil service scheme again.

In a joint letter, with the FDA, on 1 December 2025¹⁵ we asked the Cabinet Office minister to commission a report by GAD with an analysis of the gender gap in the scheme, its main causes and recommendations to address it.

The intention was for this analysis to be the start of a process that results in proposals to address the gender pension gap in the civil service that are as effective as those consulted on by the LGPS.

In response, on 29 January, the Minister wrote:

"As the Government is considering pensions adequacy in phase 2 of the Pension Commission, alongside reviews of Parental Leave and Carers Leave, it is an opportune time to consider how the alpha pension scheme operates and whether the design contributes

¹⁵ <https://union.prospect.org.uk/resource/gender-pension-gap-joint-letter-to-cabinet-office-minister-december-2025.html>



Prospect will work closely with other trade unions to encourage the government to build on its successes in the LGPS with action in these other schemes

to the gender pension gap for active members. I have therefore requested that the Government Actuary's Department (GAD) complete an in-depth analysis of the position as you have suggested.

"The Cabinet Office welcomes opportunities to consider issues of fairness within the Civil Service Pension Scheme appropriately where they arise and looks forward to engaging with you on this important issue once GAD have completed their analysis."

The willingness of the Minister to commission the analysis requested and to consider how to address unfairness in the scheme is obviously extremely welcome.

This step-change in the UK government's approach to tackling gender inequality in the pension schemes it manages is a real opportunity to deliver policy changes that materially reduce the UK's overall gender pension gap.

Prospect will work closely with other trade unions to encourage the government to build on its successes in the LGPS with action in these other schemes.

Reforms to public service schemes managed by devolved administrations

The devolved administrations also manage pension schemes with significant numbers of members.

For example, the Scottish Public Pensions Agency sets the regulations for pension schemes

with more than half a million active members.

It is important that devolved administrations are encouraged to adopt similar reforms to those implemented in the LGPS (England and Wales).

The SPPA consulted on applying the same four changes outlined above to the LGPS (Scotland)¹⁶ on 2 September 2025.

After the Scottish Parliament elections, Prospect will work with other trade unions to lobby the incoming Scottish Government to implement these changes as soon as possible.

Parental and carer's leave review

The UK government is also undertaking a landmark review of parental and carer's leave.

On top of introducing day-one rights for paternity and unpaid parental leave from April through the Employment Rights Act, this

review is also considering reforms to statutory pay rates and creating a non-transferable block of paid leave for partners.

The review is also examining the impact of the Unpaid Carer's Leave Act 2023 and considering the introduction of paid leave for carers.

Prospect's submission to this review specifically focussed on the issue of employer pension contributions not being required to be paid for any period of unpaid statutory parental leave.

This agenda has the potential to dramatically change how caring responsibilities are shared and how they are supported by wider society and this could ultimately make a big difference to the size of the gender pension gap in the future.

16 <https://pensions.gov.scot/sites/default/files/2025-09/LGPS%20Amendment%20Regulations%202026%20Consultation.pdf>

Threat to progress on tackling the gender pension gap

Progress on tackling the gender pension gap has been underpinned by a long-standing and widespread political consensus in support of greater equality.

From the Equal Pay Act to gender pay gap reporting to the introduction of the new State Pension, different governments have passed landmark legislation that underpins the downward trend in the size of the gender pension gap that we are able to report today.

Under the Equality Act's Public Sector Equality Duty, we have become used to the requirement for public authorities to act with due regard to the need to eliminate unlawful discrimination and advance equality.

But progress is not inevitable, every step along the way had to be fought for, and there will always be some who want to go back to the way things used to be.

In particular, the previous political consensus in support of greater equality seems to have broken down recently.

Reform UK, which at the time of writing is leading opinion polls, has stated it would repeal the Equality Act 2010¹⁷.

This would abolish the entire statutory equalities framework that has been built up over more than 50 years, going back to the Equal Pay Act 1970.

Rather than presenting this as a call for "unequal pay for equal work" or a charter for workplace harassment or for making the world less accessible to people with disabilities, Reform UK presents this policy in anti-woke or culture war terms.

Another front in the culture war is Reform UK's crusade against flexible working arrangements.

In a speech in February¹⁸, party leader, Nigel Farage MP, said:

"But it is an attitudinal change that Britain needs. An attitudinal change to hard work, rather than work-life balance.

"An attitudinal change to the idea of working from home. People aren't more productive working at home; it's a load of nonsense."

Dismantling statutory protections in the Equality Act will expose many people to greater risk of unequal treatment, but attacking flexible working arrangements is a direct threat to the millions of workers, disproportionately women, who rely on them.

While it is likely that most people would retain flexible working arrangements because they make business sense, a Reform UK government could take away the legal right to ask for flexible working or even potentially withdraw flexible working across the public sector.

Any reduction in flexible working would affect female workforce participation and pay and indirectly increase the gender pension gap over time.

But Reform UK's proposals to close public service pension schemes would directly increase the gender pension gap.

Proposal to close public service pension schemes

Reform UK has announced¹⁹ that it would close public service pension schemes to new entrants from 2030.

Prospect has pointed out that this policy is unaffordable, because it would cost taxpayers tens of billions of pounds.

Closing the main unfunded public service pension schemes to new entrants incurs a cost, because taxpayers must fund contributions to new defined contribution pension schemes as well as continuing to pay pensions to retired members of the closed defined benefit schemes.

But this policy would also have a substantial and direct impact on the size of the UK's gender pension gap.

Research by the Pension Policy Institute²⁰ shows that their estimate of the gender pension

17 <https://www.personneltoday.com/hr/reform-uk-would-repeal-equality-act/>

18 <https://metro.co.uk/2026/02/10/farage-says-daily-grind-beats-work-life-balance-in-attack-on-wfh-26814287/>

19 <https://www.telegraph.co.uk/business/2026/04/23/reform-block-public-sector-workers-gold-plated-pensions/>

20 <https://www.pensionspolicyinstitute.org.uk/research-library/research-reports/2024/2024-02-07-the-underpensioned-defining-the-gender-pension-gap/>



gap (based on private pension wealth) is ten percentage points lower than it otherwise would be because women are more likely to work in the public sector and be eligible to join a public service pension scheme.

The Pension Policy Institute's estimate of the gender pension gap would be 48%, rather than 38%, were it not for the impact of public service pension scheme membership.

Being more likely to work in the public sector, and therefore to participate in a defined benefit pension scheme, is the only main factor that acts to narrow, rather than widen, the gender pension gap.

It is possible for pension schemes that themselves have large gender pension gaps to result in a lower overall gender pension gap, because they offer a different level of benefits to other types of pension schemes.

Closing these pension schemes to new entrants and replacing them with the same type of defined contribution schemes that is otherwise available, will ultimately mostly remove the contribution these schemes make to reducing the overall gender pension gap.

Because Reform UK are proposing to close these schemes to new entrants, it will take some time for this to show up in wealth-

and income-based measures of the gender pension gap.

However, it will certainly significantly reduce the long-term progress in reducing the gender pension gap that previous governments have overseen for several decades.



Negotiating improvements with private sector employers

In last year's report we highlighted the best practice in respect of tackling the gender pension gap that we had come across in the private sector.

AWE's approach is to continue to pay the employer pension contribution throughout the full period of statutory parental leave (and not just the paid part of statutory parental leave).

This measure has a very marginal cost but is an important signal that employers and others are aware of, and determined to act on, the gender pension gap.

Having raised awareness of this approach with negotiating colleagues and Prospect

representatives, we have seen significant progress in adopting it in other organisations.

One recent example is the outcome of recent pay negotiations with BWSC²¹, which resulted in improvements to maternity pay as well as a commitment to pay pension contributions throughout the full period of statutory parental leave.

Similar changes have been agreed with several other employers, and we will continue to highlight these cases to promote even wider take-up in the future.

There have also been increasing numbers of conversations about the merits of matching contribution

structures which require members to pay more to get the maximum contribution from the employer.

In the past we have published data showing that women are less likely to avail of the maximum employer contribution in such structures.

It is possible that negotiations with employers over responding to the proposed cap on the National Insurance savings from salary sacrificed pension contributions will offer opportunities to narrow contribution structures.

21 <https://prospect.org.uk/news/bwsc-branch-secures-big-win-on-improving-maternity-pay-and-pension-contributions>





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Tackling the Gender Pension Gap

8th annual report, April 2026

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