FAQs on the gender pension gap

1. What is a 'gender pension gap'?

The gender pension gap is the average difference in pension wealth or retirement income between women and men. This is usually expressed as a percentage in the same way as the gender pay gap.

Whilst our primary focus is on the gender pension gap, many of the recommended good practice actions we are promoting within the HE sector will hopefully also help to reduce wider equality pension gaps, for example disability and ethnicity.

2. Why does the gender pay gap impact on the gender pension gap?

The gender pay gap and the gender pension gap are closely related; retirement outcomes are directly affected by an individual's earnings during their working life.

3. How does the gender pension gap compare with the gender pay gap?

According to the Office for National Statistics (ONS), the UK whole economy median gender pay gap is 12.8% (2025). The median gender pay gap in HE according to the ONS is slightly lower at 10.3%.

The gender pension gap across the UK is significantly wider than the gender pay gap, with various pieces of research showing pension gaps to be as high as 40%. The Local Government Pension Scheme (which is offered to some staff working in post-92 Higher Education Institutions) has recently reported its gender pension gap as being 34%.

4. Why is the gender pension gap wider than the gender pay gap?

Gender pension gaps are generally wider than gender pay gaps because pension accumulation is a cumulative process. A gender pay gap at a particular point in time is essentially a snapshot of the difference between pay for women and men; a gender pension gap reflects the effects of earnings, working patterns and career progression over a working lifetime.

5. What are the main drivers of the gender pension gap?

1. **Differences in salaries** between women and men will directly feed into differences in the pensions being built-up over time by women and men.
2. **Workforce participation** - During their working lives, many women will take time away from full-time employment to care for children or other family members. While some women will return to full-time work after a career break, others reduce their hours or move into part-time roles to better balance their work and family life. Periods where women are not in full-time employment, for whatever reason, can have a significant impact on pension saving, the impact of which can be seen years or decades later at retirement.
3. **Pension scheme participation** – Across all the main HE sector schemes, we see staff choosing to opt-out of pension saving, most commonly because of affordability – and opt-out rates tend to be the highest among female staff up to the age of 40 (Teachers' Pension Scheme E&W). A period of opting-out of pension saving can have a significant impact on retirement savings, with the effects accumulating over decades and contributing to gender pension gaps.

6. Are there other factors that can contribute to the gender pension gap?

Yes, there are other factors that can contribute to the gender pension gap. For instance, current auto enrolment thresholds are also a barrier to pension saving. Around 36% of young woman aged between 18 and 22 earn less than the £10,000 threshold salary at which they must be auto enrolled into a pension scheme. This means that they are unlikely to be building-up a pension. In addition, complexities around pensions and divorce can also drive the gender pension gap.

7. How can HEIs help to close the gender pension gap in HE?

There are a range of recommended good practice actions HEIs can undertake which can help to close the gender pension gap and these include:

1. **Analysing** their workforce profile and equality pay gap data to understand how these link to the gender pension gap and wider equality pension gaps.
2. **Gathering information** on the workforce participation patterns of their staff and regularly review this.
3. **Understanding the factors that contribute** to equality pension gaps and raising awareness with HE staff.
4. **Facilitating education, guidance and support** to staff.
5. **Introducing workforce policies** such as flexible working and leave policies, enabling a more equal work/life balance.

8. How is UCEA supporting HEIs to in reducing the gender pension gap?

"Promoting inclusion to address equality pay and pension gaps" is a particular focus of UCEA's Employee experience Five Pillar Programme of work (**Pillar Three**).

UCEA has formed an Equality Pension Gaps Reference Group consisting of a group of HEIs to consider gender and wider equality pension gaps for example disability and ethnicity pension gaps and how individual HEIs and the HE sector as a whole can work together to try to address this issue.

Our work in this area also involves liaising with a wide range of HE stakeholders including the main HE sector schemes. Our initial discussions with the HE sector on the need to consider gender and wider equality pension gaps has been very positive, with individual HEIs keen to gain a better understanding of the issues, and the actions they can consider taking, recognising that this is the first step in a long journey.

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Live document, updated when required