

HYMANS  ROBERTSON

LGPS National Knowledge Assessment

National Report 2024



Executive summary

We are delighted to publish the results of our 2024 National Knowledge Assessment (NKA) – our third National Knowledge Assessment, following those in [2020](#) and [2022](#).

The NKA provides a platform for LGPS funds to assess the knowledge levels of their Committee and Board members, benchmarked against other participating LGPS funds. While the assessment allows funds to track and record knowledge levels, it also provides insight into the current gaps in knowledge for each group and individuals.

These aggregated results provide an indicative national picture of the areas of strongest and weakest knowledge for LGPS Committee and Board members.

The 2024 NKA was set against a background of increased complexity of LGPS administration, evolving investment requirements and increased scrutiny of existing governance arrangements.

Of critical importance for the future operation of the LGPS is the knowledge and skills of Committee and Board members at each fund. This will help ensure that decisions are taken by those with the right skills, that scrutiny is effective and service delivery to our members and employers remains in a strong position.

This latest NKA is our largest assessment to date with 22 LGPS funds and over 250 members participating. A large cross-section of LGPS funds were represented, with English, Welsh and Scottish funds taking part.

The administering authorities represented included County Councils, London Boroughs, Metropolitan and Unitary bodies.



Key findings from our 2024 assessment

- **Governance knowledge has increased** – The areas of **Pensions Governance** and the **Committee Role and Pensions Legislation** were the two highest scoring sections. An encouraging result given the importance placed on governance and decision making in the Pensions Regulator’s General Code of Practice released in 2024, and the continued focus on good governance within the LGPS.
- **Knowledge levels are up** – across the 8 topics of the NKA, there has been an increase in knowledge levels in 5 of those topics since 2022. The overall average score has also increased.
- **Board outscores the Committee in all areas** - The scores for Pension Board members were greater on average than those for the Committee for each of the eight areas covered in the NKA. This is consistent with previous assessments and possibly reflects the statutory requirement for Board members to have sufficient knowledge and skills to perform their role.
- **Engagement has fallen since 2022** – engagement is measured as a proportion of the number of assessment completions against the number of Committee and Board members who had access to the assessment. Overall engagement for the 2024 assessment was 60% compared with 73% in the 2022 assessment.
- **Experience matters** – when looking at the service of participants, the scores increased with the length of service completed in the member’s role.





Next steps

If you did not take part in the National Knowledge Assessment you can still participate and tap into this assessment data, to give your Fund a strong foundation to base training plans on.

LGPS funds should:

Ensure they have assessed the current knowledge levels of their Committee and Pension Board.

- ✔ Use the results to identify weaker areas of knowledge and formulate a detailed, tailored training plan, utilising a variety of training delivery methods such as bitesize pre-meeting training sessions, online learning to provide flexible support and training newsletters compressing key information for both groups.
- ✔ Engage with Committee and Board members to ascertain their preferred training delivery methods, or equally as important, to identify what they feel doesn't work.
- ✔ Ensure that these plans are monitored and tracked. All Committee and Pension Board training should be recorded and reported on regularly.
- ✔ Plan for future assessments to ensure that their training strategy is working effectively, and factor in any adjustments to reflect any changes in circumstances at the fund, or within the wider LGPS landscape.

We hope you find this report insightful. If you would like to discuss any of our findings further, please don't hesitate to contact us.



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2024 highlights

22 

funds participated

255 

assessments completed

48

questions across

8

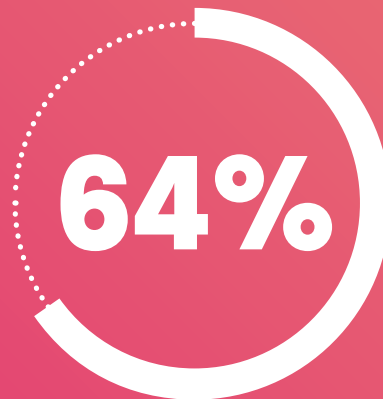
topics

scores increase with 

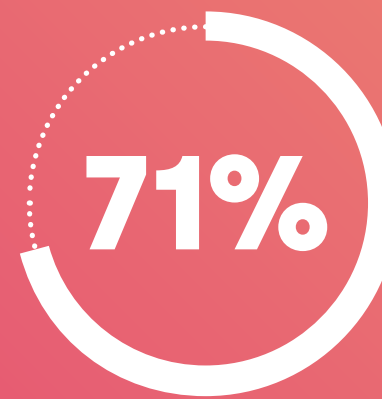
experience



Engagement level



Average score



Average score for Chairs



Thoughts from Funds on the need for assessment

“ The Oxfordshire Pension Fund find the use of both the ‘National Knowledge Assessment’ and also the ‘Knowledge Progress Assessment’ from Hymans an invaluable tool in the fund’s ability to gauge and improve our Committee and Board knowledge and skills. The results feed into our annual training plan and additionally provide an invaluable insight into how we compare against other funds.

With increasing central government requirements regarding committee and board knowledge and skills - it is reassuring to have an excellent and widely used tool for funds to use.”

Mukhtar Master
Governance and Communications Manager
Oxfordshire Pension Fund

“ South Yorkshire Pensions Authority took part in the National Knowledge Assessment for the second time this year. The information provided with the results in the report has given us a clear picture of the knowledge levels of our individual members and for the Authority and the Local Pension Board as a whole, allowing us to identify areas for targeted training and to inform our member learning and development strategy.

The results also allow us to benchmark against a national position and, as we have used the National Knowledge Assessment previously, we can see the effects of the focussed training reflected in higher scores in certain sections when compared to previous results.”

Jo Stone
Head of Governance and Corporate Services
South Yorkshire Pensions Authority

“ The London Borough of Lambeth Pension Fund decided to take part in the NKA as part of the assessment process of the knowledge and experience of the Pensions Board and the Pensions Committee, following the change to Elected Members appointed earlier this year.

In addition, it fed in well with the refreshing of the training policy and program for the forthcoming year, for which Officers needed to understand where there might be gaps in the knowledge of the decision makers, so that Officers could frame the training offered internally or booked externally accordingly.”

Sarah Hargreaves
Pensions Governance and Compliance Manager
London Borough of Lambeth Pension Fund



Background

It is no secret that governance requirements for LGPS funds have significantly increased since the introduction of the 2013 Public Service Pensions Act. This triggered the start of local pension boards, TPR's increased responsibility for public service pension schemes and the creation of the national Scheme Advisory Board. Coupled with increased expectations from scheme members, employers and pressure groups, LGPS funds have been actioning multiple 'belt and brace' approaches to improve governance arrangements. Part of these governance arrangements, the knowledge and skills of the Committee and Board members, has become a key focus for funds. The recently launched [LGPS Fit for the Future](#) consultation for English and Welsh funds states:

“There is an expectation that those responsible for making key decisions within LGPS funds, which provide benefits to millions and manage significant amounts of money, should have the right level of knowledge and training to carry out the functions of their role.”

It is against this backdrop of increased focus on the required knowledge and skills of Committee and Board members that our third National Knowledge Assessment has been conducted.

As things stand, there are no formal requirements in place concerning the levels of knowledge and skills required by Committee members (though this is expected to change very shortly for English and Welsh funds). Pension Board members, however, have a statutory obligation to have the appropriate knowledge and skills. The “Fit for the Future” consultation confirms the Government’s intention to align the knowledge and skills requirements for Committee members, to (at least) those of the Pension Board.



This consultation indicates the Government's plans to introduce various governance changes including:

“a plan on how the AA [Administering Authority] aims to address gaps in knowledge and skills for committee members over a certain period”.

As part of this plan there needs to be an assessment of where those gaps in knowledge and skills lie. The NKA allows funds to be on the front foot, and start to identify, and then address gaps in knowledge. Importantly, the NKA provides information on gaps at a collective level for the Committee and Board (fund level report), and at an individual level (individual participant reports).

This 2024 National Report looks at the aggregated results of those 22 participating funds. It ranks the knowledge levels across the eight topics, and compares this against previous assessments.

It also looks at the level of engagement of Committee and Board members from those participating funds and offers further insight into the spread of knowledge within these groups and areas which might be the priority for training in the short term.

Participation

The 2024 Assessment was the largest NKA to date.

255 members participated across 22 LGPS funds, spread over England, Scotland and Wales. The NKA provides a good indication and insight of national knowledge levels for the decision makers and oversight bodies across the LGPS.

The breakdown of participants as at December 2024 is shown below.

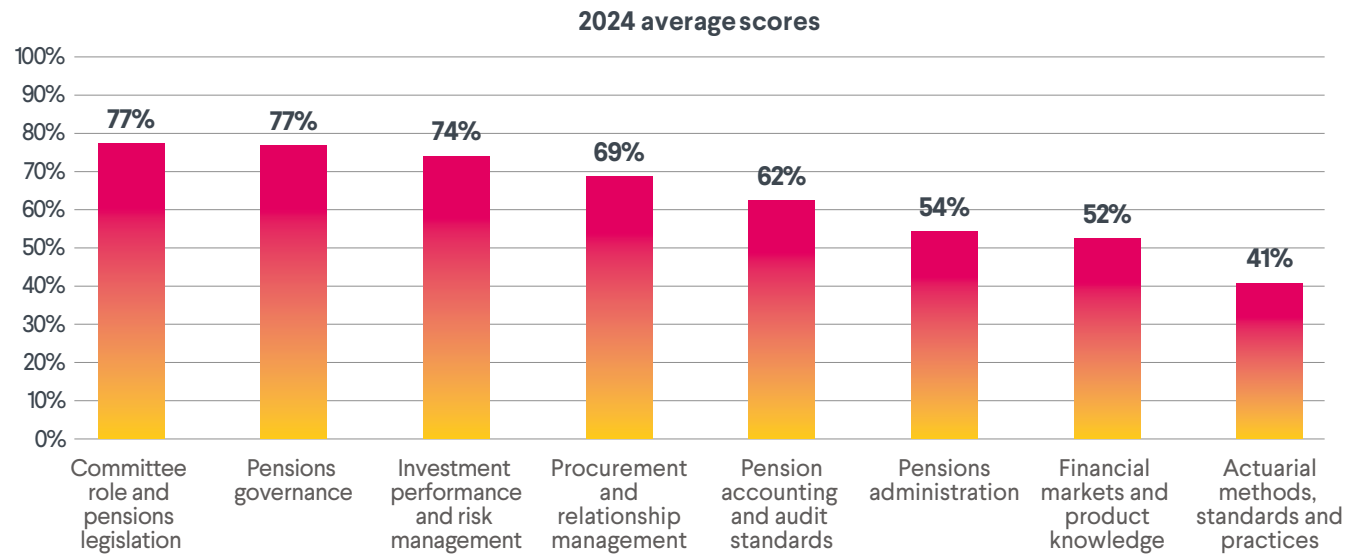
	Chair	Member	Total
Committee	12	137	149
Board	16	90	106

We're delighted that **60%** of those eligible to respond from the 22 participating funds, chose to do so.



The results

The overall results from the 22 participating funds are shown below. The chart shows the average number of correct answers in each topic across all respondents. Each topic consists of six multiple choice questions.



From these results it's very encouraging to see that **'Pensions Governance'** and **'Committee Role and Pensions Legislation'** were the highest topics – particularly in the current regulatory climate, where good governance is a key focus.

With the release of The Regulator's General Code of Practice (GCOP) and the inclusion of the England and Wales SAB's Good Governance recommendations in the 2024 'Fit for the Future' consultation, funds have placed a much greater emphasis on reviewing their governance arrangements.

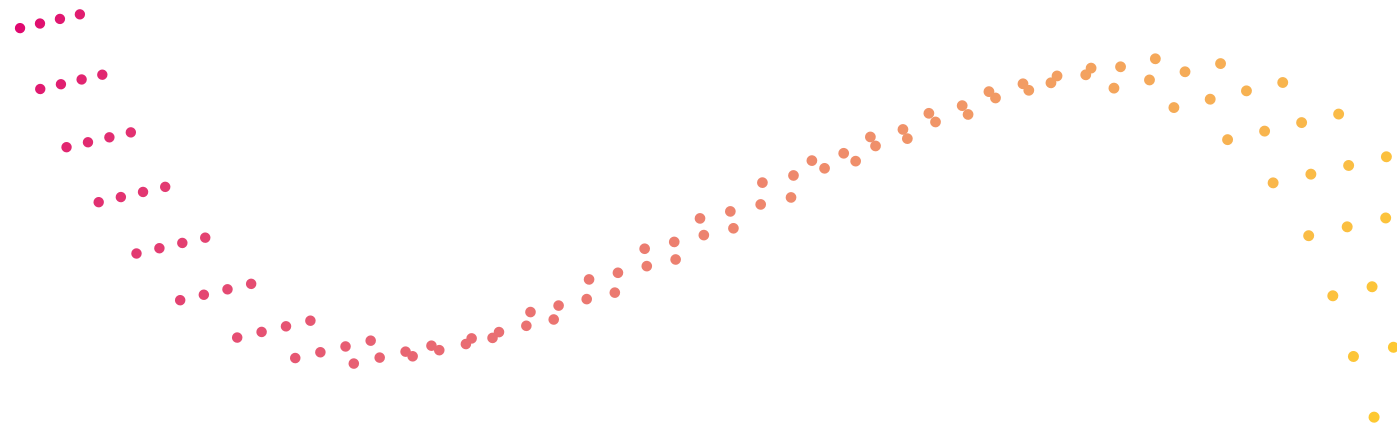


They've done this by building awareness of these issues within their Committee, Board and Officer groups. It's pleasing to see that those efforts are building a strong knowledge foundation in governance-related issues and will re-assure funds going forward.

It's perhaps unsurprising that 'Actuarial Methods' is the lowest scoring topic. There is most focus on actuarial matters every three years, during the triennial valuation. With the actuarial valuations for English and Welsh funds commencing this year, there will be increased awareness and focus on this subject during Committee and Board meetings.

We'd expect to see an increase in knowledge levels in this area over the coming year. Scottish funds will be doing their next valuations in 2026, so we'd anticipate a similar focus in the lead up to those. It is for LGPS funds to assess and plan how they can maintain good levels of knowledge on this topic in the intervening years.

Another lower scoring area is 'Pensions Administration'. This has long been an area that has suffered from a low spotlight in the LGPS, and particularly in relation to some Committee agendas. Though recent administration issues such as the complexity arising from the McCloud regulatory changes, and the tackling of large backlogs of cases, has increased administration news at Committee and Boards, more will need to be done to increase knowledge in this area.

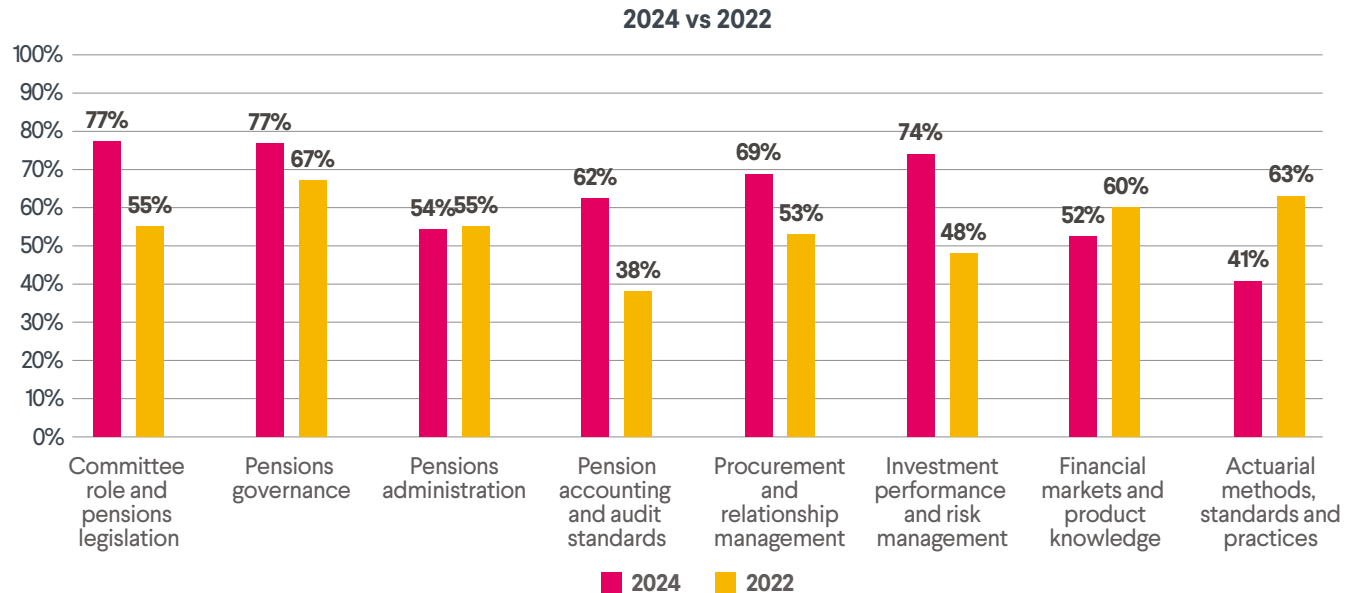




Comparison with previous results

Progress vs 2022 Assessment scores (average scores)

Having conducted a similar assessment in 2022, we have compared both sets of results.



This comparison shows that knowledge levels have increased across most topics.

The largest increase in knowledge was in **'Investment Performance and Risk Management'**. This is an encouraging development as it remains important for Committees in England and Wales to monitor their pools' activities and performance, particularly given the proposed expansion of the pools' roles.

For Scottish funds, Committees retain the responsibility for decision making of the full landscape of investment matters. Good results in this area are essential.

The most marked reduction in knowledge levels is in the areas of **'Financial Markets and Product Knowledge'** and **'Actuarial Methods, Standards and Practices'**.



Possible factors for the reduction in knowledge

The possible reasons for a reduction in knowledge levels in **'Actuarial Methods, Standards and Practices'** are noted above.

A reduction in **'Financial Markets and Product Knowledge'** is an interesting development. Seeing this dip is perhaps symptomatic of pools taking on an increasing number of these decisions, meaning Committees do not have as much exposure as they once did.

Despite this, it is very much expected that Committees will still be involved in setting investment strategy and monitoring performance, so maintaining and developing knowledge in this area and in wider investment issues will remain important.

We should also note two key components that change for each NKA conducted:

- 1.** Though the topics assessed are the same, the underlying questions change. Given the vast and varied nature of the topics, this can mean different subject areas in each of the topics being assessed at each NKA interval.
- 2.** Similarly, the 'population' taking part, in terms of both funds and individual member participants, differs between both assessments.

Bearing this in mind, we are happy that the sample size is such that general themes, trends and conclusions can be drawn from the results.



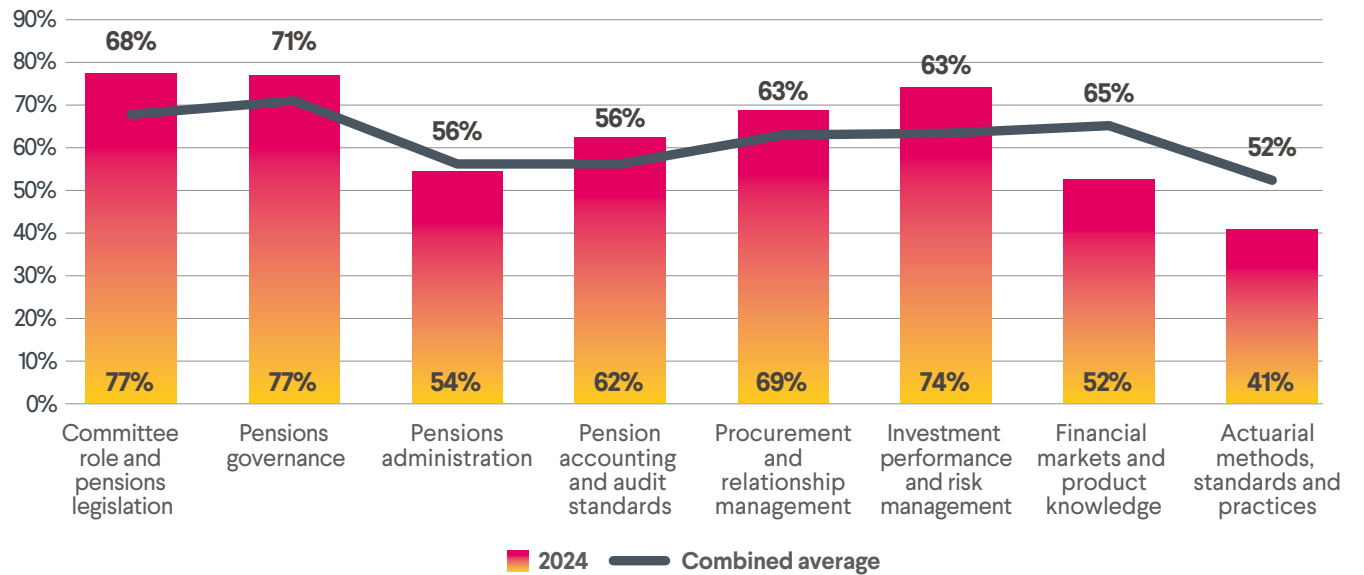
2024 relative to all NKA results to date

As this is now the third time we have run the NKA, it is also possible to compare the 2024 results with the average scores (on a combined basis) across all three assessments to date.

Overall, it is a positive picture with the 2024 scores exceeding the overall average in five of the eight topics.

Although it is disappointing to see knowledge levels falling in ‘Pensions Administration’, ‘Financial Markets and Product Knowledge’, and ‘Actuarial Methods, Standards and Practices’, funds can use this information to tailor their training plans for the coming year and place a greater emphasis on these areas.

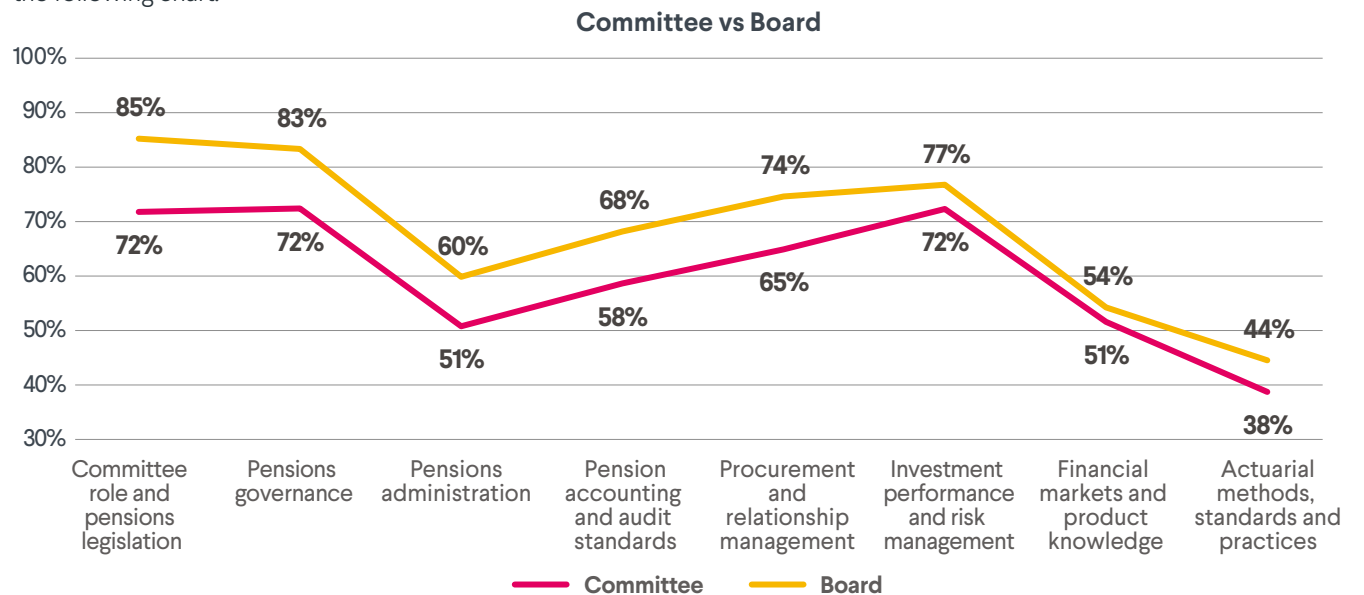
2024 vs combined average scores





Comparison of Committee vs Board

To analyse the results in more detail, we've also split the responses between the Committee and the Board, as shown in the following chart.



At a national level, Board members outperformed Committee members in all eight areas. This indicates that knowledge levels are strong within Pension Boards, with only one section scoring less than 50%. This result perhaps reflects the statutory requirement for Board members to have sufficient knowledge and skills to perform their role, which is not currently in place for Committee members.

Despite this statutory requirement, it is perhaps surprising that the Board members outscored the Committee members in **'Investment Performance and Risk Management'**, as that remains a well-covered item on most Committee meeting agendas.

The biggest difference in knowledge was in **'Committee Role and Pensions Legislation'**. This was the Board members' highest scoring area and, given the oversight role of pension boards, is not an unsurprising result.



Comparison of Committee and Board with 2022 assessment

The average Committee score was **60%** which compares with **51%** at 2022.

Likewise, the average score for Board Members was **69%** compared with **61%** in 2022.

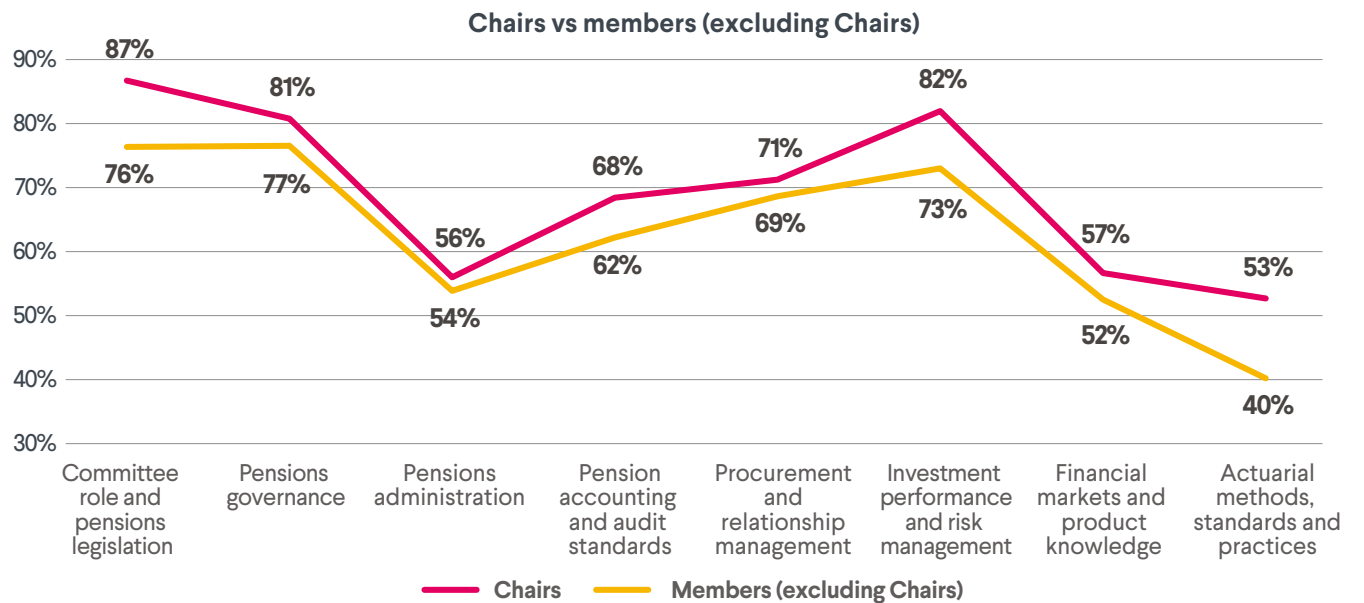
It is reassuring to see that the disparity between Committee and Board has reduced compared to the 2022 NKA.

If there is a legislative requirement put in place for Committee Members, like that which exists for Board Members currently, then it will be vital to continue to close the knowledge gap between both groups in the short term.



Comparison of Chairs vs members

It is also possible to make a comparison between the Chairs of the Committees and Boards, versus the rest of the membership.



There is a clear pattern of outperformance by the Chairs in all topics of the assessment, albeit the scores in some areas are close. For the Chairs, the average score in every topic was above **50%**, with the lowest being **53%**. This is consistent with the findings of the 2022 Assessment.

This is an expected outcome of the NKA given the important role of the Chair. Chairs are often the most experienced members of the group and can draw

upon both experience and knowledge to successfully lead their funds. Part of the role of the Chair is to help drive standards and focus discussions, and the demonstration of higher knowledge levels is an important requirement.

These results are very welcome and indicate that LGPS Committee and Board Chairs have a good broad knowledge of all topic areas assessed.



Tenure average score

LGPS Pension Committees are comprised of democratically elected Councillors. Therefore, there will be a 'natural' turnover in membership over time as Councillors might not stand or be re-elected at elections. Furthermore, the composition of the Council may also change at each election, which could result in some Councillors leaving the Pension Committee. This of course means that their accumulated knowledge is also lost by the fund. Similarly Pension Board members often sit for a set term, and that also leads to changes in the membership of Boards.

We decided to assess the difference in knowledge levels by tenure by splitting members into three groups - those who are newly elected to the Committee/Board (less than one year's service), those who are now established (between one and eight years' service) and those who are very experienced with more than eight years' service.

To gauge this, we considered the average score associated with tenure to determine if any notable trends were apparent.

Tenure length	Less than 1 year	Between 1-8 years	More than 8 years
Average score	58%	64%	67%

Our findings indicate that there is a link between length of tenure and higher knowledge levels. Having said that, it is perhaps surprising that there is not a greater divergence in the scores. This emphasises the need to ensure continuous development to keep up with the pace of change we have seen in the LGPS over the past few years.

With the increased scrutiny on the knowledge and skills within the LGPS, this highlights two important considerations:

1. The risk of potential knowledge gaps when experienced members of the Committee or Board step down; and
2. The need to have, and implement, a comprehensive induction process for new members of both the Committee and Board.

It is pleasing that those with least experience have still scored relatively well. This suggests that the induction training, and ongoing training and support provided by fund officers and external parties such as fund advisers, is allowing members to become informed relatively quickly.



Engagement

One of the strongest measures of *applied* Good Governance at LGPS funds relates to training engagement – including when assessing knowledge and skills. Regardless of tenure, experience or current knowledge levels, the landscape, regulations and requirements of the LGPS change quickly (and often). As a consequence, developing and enhancing knowledge and skills is a continual part of the role.

An engaged Committee and Board will be much more likely to keep up to date with recent developments and key issues. They're also more likely to be well-informed having done the necessary background reading and participating actively in training sessions. This benefits the ongoing risk management at the fund.

When considering engagement, it's worth reflecting that the funds electing to participate in this assessment are demonstrating a commitment to engagement.

Overall engagement

Pensions administration, governance, funding and investment requirements continue to evolve in the LGPS. Recent developments include:

- The release of The Pensions Regulator's General Code of Practice (GCOP) in March 2024, covering governance and administration expectations of all UK occupational pension schemes, including the LGPS.
- The complexity of administration has an increased focus with the McCloud and Goodwin rulings and the looming introduction of the Pensions Dashboard.
- Investment decision-making continues to evolve as pooling arrangements develop
- The upcoming 2025 valuations in England and Wales.

Engagement is vital for effective, informed decision-making and maintaining strong collective knowledge within both groups.



Based on the participating funds' Committee and Board population, the total number of eligible participants is shown in the table below, alongside the number who did participate. We measure engagement by looking at the percentage of those participating in the assessment versus the total who were invited to take part.

	Participants	Eligible	Engagement
Committee	149	271	55%
Board	106	153	69%
Total	255	424	60%

At a national level, the engagement rate was **60%**.

It is clear from these results that the engagement levels of Board members (**69%**), are higher than those for Committee members (**55%**).

We have also considered the engagement levels of the Committee and Board Chairs, which are shown in the table below.

	Engagement	Average score
Committee Chair	55%	64%
Board Chair	73%	74%
Overall (Chair)	64%	69%

Engagement rates were higher for the Board chairs, with 16 out of a possible 22 taking part in the assessment. This compares with the 12 Committee Chairs who participated from a possible 22.

Overall, these results are slightly disappointing, particularly for Committee Chairs, given the focus on driving standards. For this assessment, we would ideally see the participation rate sitting much closer to 100% for the Chairs.



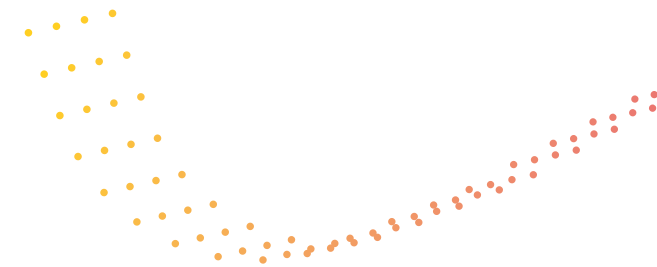
Comparison with previous assessments

The table below shows comparative figures for 2024, against both the 2022 and 2020 assessments.

	Overall	Board	Committee
2024 engagement rate	60%	69%	55%
2022 engagement rate	73%	77%	71%
2020 engagement rate	61%	67%	58%

It is disappointing to see that the overall level of engagement has fallen compared with the 2022 assessment, with a drop of around **13%**, to levels similar to those seen in 2020.

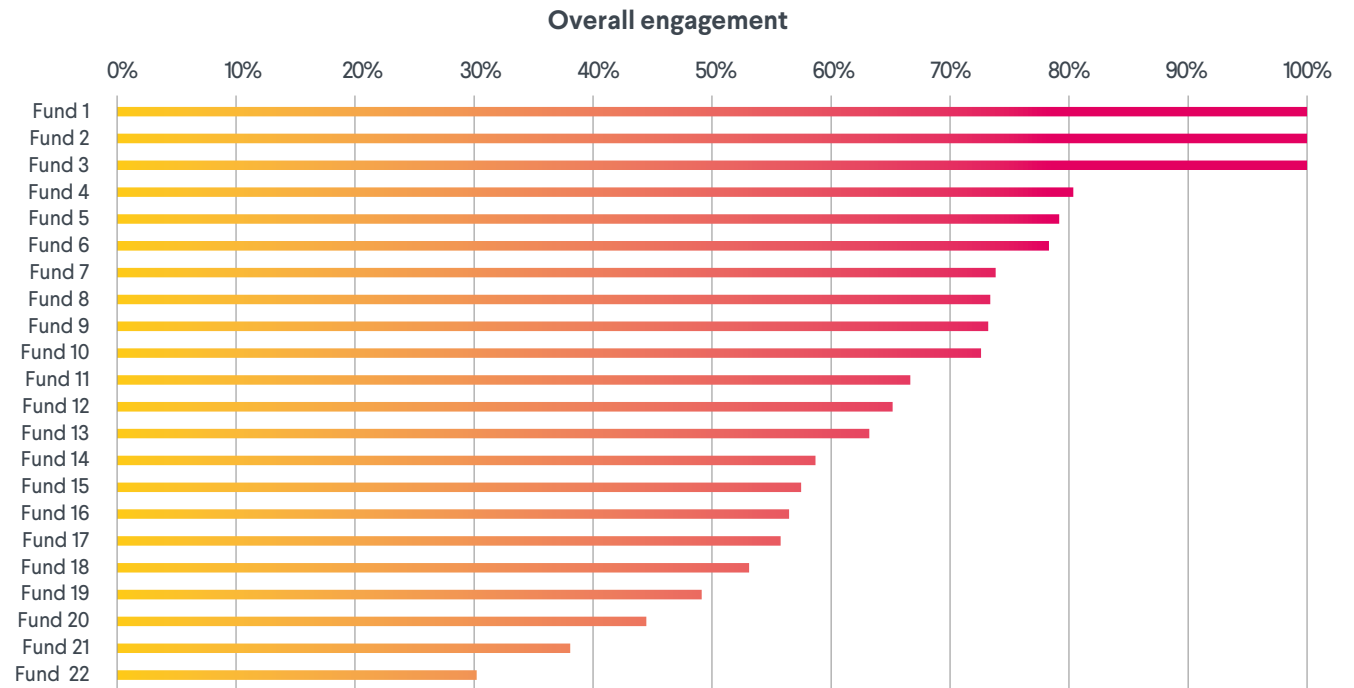
While engagement has dropped for both the Committee and the Board, it is most notable for the Committee. With the greater requirements very possibly looming for Committee members' knowledge and skills, this is a trend which will need to be reversed over the coming months and years.





Measuring engagement at individual fund level

As part of the assessment, we have measured the level of engagement from both the Committee and Pension Board for each fund. This is a crucial insight for funds, as a strong set of results based only on the knowledge performance of a small number of participants would not tell the full story. The following chart indicates the participation levels for each of the 22 funds.



Three funds had full participation across both Board and Committee which is excellent and suggests that these Board and Committee Members are highly engaged. For half of the funds taking part, at least two thirds of their members completed the assessment. There were only four funds whose engagement rate was less than **50%**.

Overall, these are relatively encouraging results, particularly since this assessment was taken in participants' own time.



Training feedback from participants

Listening to members' requests and providing training which meets both their needs and that of the fund, is key to improving engagement. To help funds structure and tailor their training plans, we provided the opportunity for participants to note the areas in which they would like additional training. There were over 20 options available, and individuals could select as many as they liked.

While this is useful to individual funds, to allow them to tailor their training plans, the aggregate results are also useful to see which areas are most requested in terms of training for both Committee and Board members across the LGPS nationally.





With the recent release of the 'Fit for the Future' consultation and the focus on governance, it's encouraging to see that **'Good Governance', 'Pensions Governance' and 'Committee Role and Pensions Legislation'** feature in the top five requested training requirements. With increased scrutiny likely to be in place for these areas, it will be reassuring for funds to note the increased interest from both Committee and Board Members here.

It is also interesting to note that investment risk management continues to be a strong focus of interest, alongside ESG and responsible investment.

Another interesting observation relates to the wide range of topics which members would appreciate training. Even the topics of lower interest were generally requested by around **20-25%** of participants. This indicates an appetite for Committee and Board members to develop their knowledge across the full spectrum of topics required to perform their roles.



Conclusion

There is an expectation that Committee members will have formal knowledge and skills requirements placed upon them in the very near future, bringing them into line with Board member requirements. The ability to assess knowledge and skills in the LGPS will become ever more important. While this report looks at the aggregate position of the 22 funds who took part, it is those fund-specific results which are of most value and allow funds to tailor their training plans and strategies to meet the training needs.

We're delighted that 22 funds decided to participate, making this our largest national assessment to date. In particular, the scores on governance-related topics are very encouraging.

The topics where it appears most training and development is required are on **'Actuarial Methods, Standards and Practices'**, **'Financial Markets and Product Knowledge'** and **'Pensions Administration'**. We would expect that English and Welsh funds' training plans will include actuarial matters in the lead up to the 2025 valuations. Funds should consider what training specifically is required for their members in relation to administration, and any challenges they are currently contending with.

The 2024 NKA results confirms that Pension Boards have greater levels of knowledge than Committees. The challenge over the coming months and years will be to close that gap, whilst ensuring both groups continue to develop their knowledge.

There are many ways to approach this, but a blend of training methods and delivery is likely to have the greatest impact. We would recommend that funds take the following action:

- 1.** Ensure that they have detailed and targeted training plans in place, and that attendance at training and development sessions is recorded and monitored for each individual member in the training log.
- 2.** Assess the tools available to support with training delivery. Ensuring a variety of delivery methods such as in-person training, group sessions and online/self-service training will help improve engagement.
- 3.** Consider ways of maintaining and increasing the engagement of both the Board and Committee. This could include providing them with more information, training materials, briefing notes, newsletters etc.
- 4.** Ensure that the fund's training strategy is kept up to date and appropriate for purpose.

We thank the initial 22 funds and the Committee and Board Members who participated in this assessment and look forward to assisting in the development of their training plans.

For any funds who did not participate in the 2024 NKA, but would value an assessment, we would be happy to facilitate this. If that is the case for your fund, then please get in touch.



Appendix - methodology

Participants were invited to complete the same set of 48 questions on the eight areas below:

- 1 Committee role and pensions legislation
- 2 Pensions governance
- 3 Pensions administration
- 4 Pensions accounting and audit standards
- 5 Procurement and relationship management
- 6 Investment performance and risk management
- 7 Financial markets and product knowledge
- 8 Actuarial methods, standards and practices

The NKA is a challenging multiple-choice assessment of participants' knowledge and understanding of key pension areas. There was no expectation that participants would score 100% on each subject area tested. The goal was to gain a true insight into members' knowledge in the areas covered by the CIPFA Knowledge and Skills Framework and the Pension Regulator's General Code of Practice.

The subject areas exactly mirror those that were used in the NKA in both 2022 and 2020. This allows a comparison to be made between all assessments and for results to be benchmarked against both the 2022 and 2020 NKA.

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