2002 No. 1852

PENSIONS, ENGLAND AND WALES

The Local Government Pensions Scheme (Management and Investment of Funds) (Amendment) Regulations 2002

Made - - - - -	*5th July 2002*
Laid before Parliament	*19th July 2002*
Coming into force - -	*9th August 2002*

The Secretary of State, in exercise of the powers conferred on him by section 7 of the Superannuation Act 1972(**a**) and of all other powers enabling him in that behalf, after consultation with such associations of local authorities as appeared to him to be concerned, the local authorities with whom consultation appeared to him to be desirable and such representatives of other persons likely to be affected by the Regulations as appeared to him to be appropriate, hereby makes the following Regulations:

Citation and commencement

1.—(1) These Regulations may be cited as the Local Government Pension Scheme (Management and Investment of Funds) (Amendment) Regulations 2002.

(2) These Regulations shall come into force on 9th August 2002.

Amendment of Regulations

2. Regulation 9A of The Local Government Pension Scheme (Management and Investment of Funds) Regulations 1998(**b**) ("the principal Regulations") is amended by—

(a) inserting a new paragraph after paragraph (3) as follows—

"(3A) A statement published after 30th September 2002 must also—

(a) state the extent to which the administering authority comply with the ten principles of investment practice set out in the document published in April 2002 by CIPFA, the Chartered Institute of Public Finance and Accountancy, and called "CIPFA Pensions Panel Principles for Investment Decision Making in the Local Government Pension Scheme in the United Kingdom (Guidance note issue No. 5)"(**c**); and

(b) give the reasons for not complying where they do not do so."; and

(b) in paragraph (4), by substituting for "paragraph (2)" "paragraphs (2) and (3A)".

(**a**) 1972 c. 11.
(**b**) S.I. 1998/1831; amended by S.I. 1999/3259 and 2000/2552; regulation 9A was inserted by S.I. 1999/3259, regulation 5.
(**c**) Published by CIPFA, The Chartered Institute of Public Finance and Accountancy, 3 Robert Street, London WC2N 6RL.

[DTLR 2366]

Transitional provision

3. Nothing in these Regulations requires an administering authority which has published a statement under regulation 9A of the principal Regulations (as in force immediately before the date on which these Regulations come into force) to prepare a new statement but they must revise the statement which they have published so as to include the matters referred to in regulation 9A(3A) of the principal Regulations and publish the revised statement by 30th September 2002.

Signed by authority of the Secretary of State

Christopher Leslie
Parliamentary Under Secretary of State,
Office of the Deputy Prime Minister

5th July 2002

EXPLANATORY NOTE

(This note is not part of the Regulations)

These regulations amend the Local Government Pension Scheme (Management and Investment of Funds) Regulations 1998. They add a provision to the regulation requiring each administering authority to publish a written statement of investment principles. The new provision requires that such statement must set out the extent to which the administering authority comply with the ten principles of investment practice contained in the document published in April 2002 by CIPFA, the Chartered Institute of Public Finance and Accountancy, and called "CIPFA Pensions Panel Principles for Investment Decision Making in the Local Government Pension Scheme in the United Kingdom (Guidance note issue No. 5)". Each administering authority must publish, by no later than 30th September 2002, their policy on the extent to which they comply with the ten principles and give their reasons where they do not comply.

The Guidance Note can be purchased from CIPFA, 3 Robert Street, London WC2N 6RL, tel. 020 7543 5605. The publication costs £50 to members of the public, £25 to local authorities and £12.50 to an administering authority.

The ten investment principles were issued by the Government in October 2001 in response to proposals in the Myners Review of Institutional Investment in the United Kingdom, issued in March 2001. Further information about these can be obtained from HM Treasury Public Enquiry Unit. tel: 020 7270 4558 or from HM Treasury's web site www.hm-treasury.gov.uk.

STATUTORY INSTRUMENTS

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