

**LOCAL GOVERNMENT PENSION SCHEME (SCOTLAND)  
CIRCULAR SPN/LG No. 5/2010**

**WHO SHOULD READ:** The Secretary General, Convention of Scottish Local Authorities  
The Chief Executive, Scottish Local Authorities  
The Chief Executive, Water Authorities  
The Principal Reporter, Scottish Children’s Reporter Administration  
The Chief Executive, Scottish Environment Protection Agency  
The Director General, Strathclyde Passenger Transport Executive  
The Clerk, Strathclyde Passenger Transport Authority  
The Chief Executive/Director, Visit Scotland

**ACTION:** This circular should be brought to the attention of Pension Fund Managers, Directors of Finance and Administration, and Pension Fund Investment Managers

**SUBJECT:** THE LOCAL GOVERNMENT PENSION SCHEME AMENDMENT (SCOTLAND) REGULATIONS 2010. (SSI 2010/234)

**DATE:** 17 June 2010

**About Circular SPN/LG No. 5/2010**

The purpose of this circular is to notify all interested parties of The Local Government Pension Scheme Amendment (Scotland) Regulations 2010 (SSI 2010/234) which come into force on 5<sup>th</sup> July 2010

1. I am writing about the above Regulations which amend The Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 (SSI 2008/228) (“the Administration Regulations”) and The Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008 (SSI 2008/230) (“the Benefits Regulations”).
2. These Regulations were laid in the Scottish Parliament on 10 June 2010 and come into force on 5 July 2010.
3. Copies of these Regulations can be accessed via the Office of Public Sector

17/06/2010

Information website using the following link. Additional copies can also be purchased from the Stationery Office. [SSI 2010 / 234](#)

## Policy Objectives

4. The main purpose of the instrument is to insert into the Administration Regulations a new Regulation 31A, which requires administering authorities to prepare a pension fund annual report for the year beginning 1 April 2010 and each subsequent year thereafter. The opportunity has also been taken to make minor changes to the Administration Regulations and the Benefits Regulations as detailed below.

### Administration Regulations:

- change of date by which a governance compliance statement under regulation 27 must be published from 1 April 2010 to 31 March 2011;
- amendment to regulation 42(1) (exclusion of rights to return of contributions) to include a further restriction on the right to a refund of contributions;
- correcting an error by removing para (6) of Schedule 5;

### Benefits Regulations:

- clarification in respect of pay for pension purposes set out in regulation 9.
- Removal of the words “or otherwise ceases to be a member” from regulation 30(1) as it was considered that these were unnecessary and had potential to cause confusion.

A full detailed explanation of these changes can be found in the Executive Note which accompanies this circular.

## Consultation Process

5. The main proposal, for a pension fund annual report, was consulted upon between 16 July and 9 October 2009. The Regulations also take account of clarifications suggested by stakeholders. A short, 4 week, technical consultation exercise on draft regulations was held between 11 November and 18 December 2009, no adverse comments were received.

**Jean Steel**  
**Policy Officer, LGPS**

### Contact Information:

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