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SCOTTISH STATUTORY INSTRUMENTS

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**2010 No. 233**

**The Local Government Pension Scheme (Management and Investment of Funds) (Scotland) Regulations 2010**

*Management of pension fund*

**Power to borrow**

5.—(1) Except as provided in this regulation, an administering authority must not borrow money where the borrowing is liable to be repaid out of its pension fund.

(2) An administering authority may borrow by way of temporary loan or overdraft from a bank or otherwise any sums which it may require for the purpose of—

- (a) paying benefits due under the scheme; or
- (b) to meet investment commitments arising from the implementation of a decision by it to change the balance between different types of investment.

(3) An administering authority may only borrow money under paragraph (2) if, at the time of borrowing, the authority reasonably believes that the sum borrowed and any interest to be charged in respect of that sum can be repaid out of its pension fund within 90 days from the date of borrowing.