
STATUTORY INSTRUMENTS

1998 No. 1831

**The Local Government Pension Scheme(Management
and Investment of Funds) Regulations 1998**

Investments

Use and investment of pension fund money

- 9.—(1) An administering authority must invest any fund money that is not needed immediately to make payments from the fund.
- (2) They may vary their investments.
- (3) Their investment policy must be formulated with a view—
- (a) to the advisability of investing fund money in a wide variety of investments; and
- (b) to the suitability of particular investments and types of investments.
- (4) An administering authority must obtain proper advice at reasonable intervals about their investments.
- (5) The authority must consider such advice in taking any steps about their investments.

Investments under s.11 of the Trustee Investments Act 1961

- 10.—(1) An administering authority may invest in any investment made in accordance with a section 11 scheme without any restriction as to quantity.
- (2) A “section 11 scheme” is a scheme under section 11 of the Trustee Investments Act 1961⁽¹⁾ (which enables the Treasury to approve schemes for local authorities to invest collectively).

Restrictions on investments

- 11.—(1) Schedule 1 sets out the limits which apply to certain sorts of investments.
- (2) The percentages set out in the headings in Part I are the limits on the amount of each description of investment listed under those headings.
- (3) Those percentages are percentages of the total value of all existing investments in the fund before making the investment which is subject to the limit.
- (4) The limits in that Schedule only apply at the time the investment is made.
- (5) Part II of that Schedule sets out certain exceptions to the limits.
- (6) Part III of that Schedule applies for interpreting Parts I and II.

Use of fund money by an administering authority

- 12.—(1) An administering authority must pay interest on the total from day to day of any fund money used by them and not repaid.

(1) 1961 c. 62.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(2) That interest may not be paid at a rate lower than the lowest rate at which they could have obtained a commercial loan of that amount at 7 days' notice (otherwise than by bank overdraft).