
STATUTORY INSTRUMENTS

1998 No. 1831

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

Management of pension fund

Terms of appointment of investment managers

7.—(1) Investment managers must, if appointed, be appointed on the terms set out in paragraphs (2) to (7).

(2) The administering authority must be able to terminate the appointment by not more than one month's notice.

(3) The investment manager must report to the administering authority at least once every three months on the action he has taken for them.

(4) The investment manager must comply with all the administering authority's instructions.

(5) In managing the fund the investment manager must take into account—

- (a) that fund money must be invested in a wide variety of investments,
- (b) the suitability of those types of investment for the fund, and
- (c) the suitability of any particular investment of that type.

(6) But paragraph (5)(a) does not apply where the investment manager only manages part of the fund and the terms of his appointment provide that it does not apply.

(7) The investment manager must not make investments which would contravene regulation 11 or Schedule 1.

(8) In determining the investment manager's terms of appointment, the administering authority must take proper advice.