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To the listed addressees

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Our ref: LGT/01/20/00

20th June 2007

Dear Sir/Madam

THE LOCAL GOVERNMENT PENSION SCHEME AMENDMENT (SCOTLAND) REGULATIONS 2007

1. I enclose, for your comments no later than **21st September 2007**, draft regulations to amend the Local Government Pension Scheme (Scotland) Regulations 1998 (the "principal regulations") and the Local Government Pension Scheme (Management & Investment of Funds) (Scotland) Regulations 1998

Background

2. The main purpose of the regulations is to make an amendment to the Local Government (Management and Investment of Funds) (Scotland) Regulations 1998 ("the Management and Investment of Funds Regulations") in order to comply with EC Directive 2005/68EC on Re-insurance. The amendment is technical in nature and entails adding a reference to a new paragraph which has been introduced to the Financial Services and Markets Act 2000. The amendment, which is required by the Directive to be in place by December 2007, has no material effect on the members of the scheme.

3. The opportunity has been taken to introduce certain other amendments to the Management and Investment of Funds Regulations and to the Local Government Pension Scheme (Scotland) Regulations 1998, as follows:

- to introduce a facility for civil partnership members to purchase pre-April 1988 service, at full cost to the members. This is in line with progressions taken across other public sector pension schemes, such as the Scottish Teachers Pension Scheme, as a result of the Civil Partnership Act 2004;
- to increase the limits on investment by fund administering authorities under stock lending arrangements from 25% to 35% of the value of the fund, to reduce current investment restrictions on the Scottish funds;



- to make minor amendments to clarify certain tax changes introduced in 2006 under the Finance Act 2004;
- to insert a reference to regulation 34 (Requirements as to time of payment) in regulation 79(5) (Employer's further payments).

Responses

4. Your comments should be sent in the first instance to Jean Steel, Policy Officer, Scottish Public Pension Agency, 7 Tweedside Park, Tweedbank, Galashiels TD1 3TE (tel: 01896 893229). Electronic responses can be sent to locgovpensionsreform@scotland.gsi.gov.uk
5. A summary of responses to this consultation will be published on the Agency's website in due course.
6. Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information (Scotland) Act 2000 (FOISA) and the Data Protection Act 1998 (DPA) .
7. If you want the information that you provide to be treated as confidential, please be aware that, under the FOISA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.
8. The Department will process your personal data in accordance with the DPA and in the majority of circumstances; this will mean that your personal data will not be disclosed to third parties.
9. As previously advised, please find enclosed a draft set of regulations for consideration. I should be grateful if any comments could be sent to Jean Steel, Policy Officer, at the above address, by **21 September 2007**.
10. If you wish to discuss this proposal in more detail please do not hesitate to contact either myself on 01896 893227 or send any queries by e-mail to david.lauder@scotland.gsi.gov.uk.

Yours faithfully



D Lauder
Policy Manager, LGPS

Addressees



COSLA
TGWU
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STUC
UNISON
AMICUS
Secretary, LGPC
Educational Institute for Scotland
Union of Construction, Allied Trades and Technicians
Strathclyde Passenger Transport Authority
Audit Scotland
National Association of Pension Funds
Scottish Local Government Pension Scheduled Bodies
Scottish Local Government Pension Funds
CIPFA
Women's National Commission
Other Relevant Government Departments
SOLACE
SLARC
NAC

