



විශ්‍රාම වැටුප් දෙපාර්තමේන්තුව  
ஓய்வூதியத் திணைக்களம்  
DEPARTMENT OF PENSIONS



මහලොව මාර්ග, මාලිගාව, කොළඹ 10.

மாளிகாவத்தை செயலகம், மாளிகாவத்தை, கொழும்பு 10.

Maligawatte Secretariat, Maligawatte, Colombo 10.

අංකය } PN/ Circular/ 2010  
இல. }  
No. }  
දිනය } 13.12.2010  
திகதி }  
Date }

**Pension Circular 12/ 2010**

To all District Secretaries and Divisional Secretaries,

**Arranging monthly payment documents and  
Decentralizing custodianship of files to Divisional Secretariats**

**01. Background**

Local Government pensions and Local Government Widows' and Orphans'/ Widowers' and Orphans' Pensions systems were implemented under Local Government Act No.16 of 1974 and funds imposed therein. When the Local Government Service established under Provincial Councils, the staff therein was absorbed to the Local Government Service. Hence, the Local Government pension scheme continued in respect of the Local Government officers retired before 03.09.1993. The Local Government Service pension which functioned under Local Government Director was delegated to the Department of Pensions from the date 01.01.1990. Director General of Pensions is the present authority of above pension scheme.

Local Government pension files are presently maintained by the Local Government Division of this department. On 01.01.1999, Local Government pension payments were decentralized to Divisional Secretaries in accordance with Pension Circular 7/ 98 and the financial provisions required for these payments were allocated by this office.

This payment process was further decentralized in March 2006 and April 2007 (North/ East) having decided to pay government pensions through banks. Accordingly the monthly financial allocations were stopped and instructed to make payments by financial provisions allocated to Divisional Secretariats and to credit the expense to Expenditure Head concerned. Accordingly the Department of Pensions taken on setting up of paying documents based on monthly changes and deaths reported by the Divisional Secretary.

Director General	Telephone 2431647	Fax 2342078	W&OP	Telephone 2332346	Fax 2432214	Policy	Telephone 2329580
Director	2432008	2342078	PSPF	2324375	2332347	Forces	2320439
Director (F)	2434974	2391403	L.G.U.	2342525	2342525	Computation	2434414
Internal Auditor	2329634	2329634	Registration	2329178	-	Payments	2431612

E-mail: pensions@slmet.lk  
Web site: www.pensions.gov.lk

## **02. Decentralizing process**

Monthly payment process of Local Government pension was decentralized subsequently to the establishment of Provincial Public Service. This department has decided to decentralize entire pension payment process to Divisional Secretariats by releasing the limited role of the department such as arranging monthly payment documents and custodianship of files. Accordingly the decentralizing process will be initiated from 01.01.2011. Arranging monthly payment documents, custodianship of files will be delegated to Divisional Secretaries. Following instructions are introduced to proceed this task without obstacles.

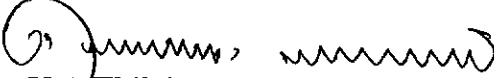
- I The Local Government Division will not take action to arrange payment documents from January 2011 and the Divisional Secretariats should fill the gap by arranging payment documents of Local Government Service Pension, Local Government Widows' and Orphans' and Local Government Widowers' and Orphans' Pension from 01.01.2011. From month of January 2011, the salary sheets should be arranged by based on payment documents set out by you. Transfers between Divisional Secretariats should not be done until Local Government files received. Transfers can be done when files received by you. (Action will be taken to dispatch the file promptly. Payments should be made base on your payment documents until the file received.)
- II Residence certifications should be obtained annually in order to get verification of pensioners' survival. Further, action should be taken to deduct the reported deaths from salary documents, to stop pension payments of died pensioners, to stop orphans' pension on due date, to stop pension as soon as possible when revealed loss of entitlements of beneficiaries.
- III Action should be taken to send the expenditure reports of month concerned to the District Secretary before 05<sup>th</sup> day of successive month. Specimen in Annexure I should be used for this purpose.

IV A report of total expenditure of all Divisional Secretariats of the respective division should be arranged by the District Secretary and sent to the Local Government Division of the Department of Pensions before 25<sup>th</sup> day of successive month. Specimen in Annexure II should be used for this purpose.

V When a Local Government Service civil pensioner died and if the widowed spouse of the pensioner requests for a widows' pension, relevant request and the report regarding widow and orphans should be sent together with civil file to the Local Government Division of Department of Pensions in order to issue an Award. This department will further take action to make widows' and orphans' pension awards and send to Divisional Secretaries. (Last paid month of civil pension and last salary so paid should be informed by a letter attached to the civil pension file when it dispatched.)

VI When a pensioner requests for a ten years revision of civil pension, action should be taken to revise and pay by you accordingly. When a request forwarded to revision a pension, the relevant request together civil pension file should be sent to the Local Government Division of Department of Pensions to issue an Award.

New awards, revised awards, widows', widowers' and orphans' awards, disable awards will be further issued by the Local Government Division of Department of Pensions. It is kindly informed to adhere according to the instructions.

  
**K.A. Thilakaratne**  
Director General of Pensions

Copy:

1. Secretary to the President
2. Secretary to the Ministry of Finance and Planning
3. Secretary to the Ministry of Public Administration and Home Affairs
4. Auditor General

Annexure No. I

**Local Government monthly pension report**

(Local Government Service/ Local Government Widows' & Orphans'/ Local Government Widowers' & Orphans)

Relevant Year:.....

Month:.....

Divisional Secretariat	No. of Local Govt. Pensioners	Expenditure of relevant month	Details of stopped pensions	
			Pension No.	Name

• Separate reports should be sent for Local Government Service/ Local Government Widows' & Orphans'/ Local Government Widowers' & Orphans pensions.

Annexure No. II

**Payment of Local Government Pension (monthly expenditure report)**

(Local Government Service/ Local Government Widows' & Orphans'/ Local Government Widowers' & Orphans)

District Secretariat: .....

Divisional Secretariat	No. of Pensioners	Expenditure of relevant month	Details of stopped pensions	
			Pension No.	Name

Separate reports should be sent for Local Government Service/ Local Government Widows' & Orphans'/ Local Government Widowers' & Orphans pensions.