

**Councillor Saghir Alam – Cabinet Member for Finance & Safe and Clean Communities**

Riverside House  
Main Street  
Rotherham  
S60 1AE

E-mail: [cllsaghir.alam@rotherham.gov.uk](mailto:cllsaghir.alam@rotherham.gov.uk)

Email the Council for **free** @ your local library!

<b>Ref</b>	<b>Direct Line:</b>	<b>Please Ask For</b>
SA/LH	01709 255959	Cllr Saghir Alam

13<sup>th</sup> March 2025

Councillor Paul Thorp  
Elected Member

Via email: [paul.thorp@rotherham.gov.uk](mailto:paul.thorp@rotherham.gov.uk)

Dear Cllr Thorp

**Question to Council – Wednesday 5<sup>th</sup> March 2025**

Thank you for the question you submitted to Council on 5<sup>th</sup> March 2025. I have set out the question and my response below.

***Just after the budget I asked what affect will the employers NIC increase on the councils budget. I was told none, because the government was going to give the council the NIC back so there would be no extra cost to the council, and they wouldn't have to use the general council funding to cover this cost, did this happen.***

I can advise that the Autumn Policy update indicated that the NIC increases would be covered for public sector bodies through additional grant funding. In the provisional and final settlement, the NIC was covered partially by a single specific grant with the remainder to be funded from additional uplifts to existing grants along with new grants.

The Council estimates that the impact of the employers NIC increase will be £3.9m for 2025/26. As part of the Final Financial Settlement for 2025/26 Government have provided the Council with over £14m of new or increased grant funding, this includes a grant specifically to support the NIC increase, of which the Council's allocation is £2.5m.

So, in summary, including a dedicated grant, the government has more than covered the cost of the NIC increase to RMBC.

I hope you find this information helpful.

Yours sincerely



Cllr Saghir Alam OBE  
Boston Castle Ward  
Cabinet Member for Finance & Safe and Clean Communities