

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

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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 Simon Ball  
Elected Member

Via email: [simon.ball@rotherham.gov.uk](mailto:simon.ball@rotherham.gov.uk)

Dear Cllr Ball

**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.

***How concerned are you about employer contributions to the Pension Scheme becoming unaffordable, and what could the impact be on employees who pay into the scheme?***

The employer contribution rate that the Council pays to the South Yorkshire Pension Authority (SYPA) scheme is driven principally by the outcome of the triennial actuarial valuation process. This valuation process occurs every 3 years, the result of which may lead to the pension contribution rate being increased, decreased or held at its current level. The last valuation was undertaken in March 2022, at which point the Council's contribution rate was 17.3% and will remain at that level for 2023/24, 2024/25 and 2025/26.

At the point of this valuation the SYPA scheme was 119% funded, meaning that it had a 19% surplus position. A very positive position.

SYPA have begun their work towards the next valuation to be carried as at March 2025 where contribution rates payable from April 2026 will be set.

Early indications on progress since the last valuation are that the SYPA scheme will remain in significant surplus position and as such it is unlikely that the pension contribution rate for the Council will be increased, in reality it is more likely it will be decreased presenting a reduce cost position to the Council. A 1% reduction in the employers pension contribution rate equates to around £1.2m.

As such the Council is not concerned at present about the scheme becoming unaffordable.

It is not anticipated at present that the employee contribution rates will change, they are set at a national level by the Local Government Pension Scheme.

I hope you find this information helpful.

Yours sincerely



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