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19<sup>th</sup> March 2025

Councillor Adam Carter  
Elected Member

Via email: [adam.carter@rotherham.gov.uk](mailto:adam.carter@rotherham.gov.uk)

Dear Cllr Carter

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

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

***Given the fact that the Pensions Authority have targets on when they needed to specifically hit certain fund levels at certain time points, was the Spokesperson assured that being behind on the investments at that point, in recent times, would mean that that this would be met and what were the risks to the Pensions Authority and, therefore, the Council as one of the participants.***

I can advise that it is not just the value of the fund's assets that determines the funding level, which is the metric which influences employers' contributions to the Fund. The value of liabilities is also a key factor. This value has fallen by around 30% since the last valuation at the end of March 2022, largely due to the significant changes in the interest rate environment.

As a result of this and the maintenance of the value of assets in very uncertain market conditions the Fund is further ahead of its funding target than ever before with a reported funding level at the end of December of 162% (compared to the target of 100%). This position results in a significantly reduced risk that employers will face increased contributions as a result of the 2025 actuarial valuation and indeed are likely to see some reduction in contributions.

I hope you find this helpful.

Yours sincerely

Councillor Donna Sutton  
Designated Spokesperson  
South Yorkshire Pensions Authority