

Councillor Saghir Alam – Cabinet Member for Corporate Services, Community Safety and Finance

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12th March 2026

Councillor Simon Currie
Elected Member

Via email: simon.currie@rotherham.gov.uk

Dear Cllr Currie

Council Meeting – 4th March 2026

Thank you for your question at Budget Council on Wednesday 4th March 2026, where you asked if details of the employer contributor pension cuts and their implications would be taken to Staffing Committee.

I can advise that the reduction in the employer's contribution rate will have no impact on the pensions that Council employees receive or on the rate that they pay into the SYPA through their salary.

I've set out below the key difference between the employer's rate and the employee's rate for your information.

Employer's Contribution Rate:

The employer's contribution rate is reviewed every 3 years by the SYPA and is set to ensure that the SYPA holds sufficient funds to pay out its liabilities now and in the future. Those liabilities being paying out the pensions of members of the scheme as they fall due.

If the SYPA funding position shows that the fund is in deficit the rate will be increased, if the fund is in surplus then the rate will be decreased. In this instance the SYPA is over 140% funded, so it has sufficient funds to cover its liabilities 1.4 times. This is a very strong surplus and as such the Council working with the SYPA have reached a proposal to reduce the Council's contribution rate by 5.2%.

Employee's Contribution Rate:

The employee contribution rate is set nationally for Local Government Pension Schemes (LGPS).

Local authority employee pension contributions are set based on annual pensionable pay bands, typically ranging from 5.5% to 12.5%. The Council does not control these rates and the proposed changes to the employer's contribution rate have no impact on these employee's contribution rate.

Therefore, given the above, I can confirm that there isn't a need for this to go through Staffing Committee.

I hope you find this information helpful.

Yours sincerely



Cllr Saghir Alam OBE
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Cabinet Member for Finance and Community Safety