

Appendix D – Financial Information

Housing Options Service Annual Costs

Cost	Current contract	Proposed in house	Cost implication of proposal for NNC
Total contract cost	£261,620		
Salaries	£195,328	£195,328	Cost neutral as staff will transfer on existing terms and conditions
National Insurance	£17,190	£17,190	
Pensions – employer’s contribution	Average 4% of salary – £7,813	16.2% of salary – £31,643	Additional cost to NNC of 12.2% of salaries
Total staffing cost	£220,331	£244,161	Additional staffing cost of £25,927 due to additional pension costs
Remainder of budgeted contract cost for management overheads, ICT and premises	£41,289	£17,459 8 x Laptops, and mobile phones will be required, estimated cost £12,000	Potential for cost saving as transfer will be accommodated within existing management structures and the service is likely to be located in existing NNC premises Laptops and mobile phones are one off set up costs
Homelessness and Housing Advice Manager salary including employer’s pension and National Insurance contributions	£41,000 (included in above staffing costs)	£43,873 (included in above staffing costs)	Potential saving if postholder chooses not to transfer to NNC

Additional savings may be realised once the full restructure of the Housing Solutions Service takes place. Bringing the service back in-house will also avoid the need for further tendering and procurement costs.