

Interim resource can be more cost effective than a permanent equivalent

When budgeting for senior workforce costs, it makes sense to compare the true employment costs.

Permanent Director

Permanent salary **£120,000**

Interim Director

Day rate **£750** (Including agency fee & expenses)

Employment Costs	Permanent Cost	Interim Cost
Salary	£120,000	NA
Pension (13.6%)	£16,320	zero
Employers NI (9.1%)	£10,920	zero
Holiday (35 days paid)	£16,600	zero
Public holidays (8)	£3,794	zero
Sick days (9.2 national average)	£4,364	zero
Up to 10 Training days including external costs for 5 days	£9,743	zero
Equivalent daily rate	£718	£750
12 months, 5 days a week Assumes 35 days unpaid leave	£181,741	£163,500
12 months, 4 days a week, Assumes 35 days unpaid leave	NA	£123,750

Additional Points for consideration:

Permanent Corporate Director:

- Fixed employment costs
- 3 month notice period
- 10 weeks to recruit
- Member of Paid Service
- 6 month induction period
- Redundancy liability *

Interim Corporate Director:

- Daily rate charged only for days worked
- 7 day notice period
- 3 days to recruit
- Classed as a supplier
- Performance measured from day 1
- No redundancy liability

Notes

Based upon 253 Working days in the year, 365 days less 104 Weekends; 8 Public holidays

* A 55 year old with 22 years service carries a £280,307 exit cost