

Smarter Spending

An Auditel guide to urgently reduce unnecessary costs

Smarter Spending is an Auditel guide to reducing costs during these uncertain times and ensuring that you do not incur any unnecessary costs in the future. If you are having to moth ball sites then please consider the following, we are here to help you should you have any questions or simply want to sense check your decision making.



UTILITIES

Ensure all items where practical are switched off, so:

- Fridges / freezers emptied and switched off
- Heating systems switched off and put on frost setting
- Any lights that might normally be switched on at night (window displays) are switched off
- Water turn off if you have internal stop cocks

Energy suppliers are still going to issue bills and if SMART meters are not in place then they will be estimated. So best advice if you cannot obtain readings is to take your last invoice and report a low usage to the supplier (say allow 2 kwh a day) this will keep costs down.

Prices are the best we have seen for some years so a good time to get Auditel to secure new contracts at low market prices.

We would advise not to stop supplier DD's at this time as this may have an impact on future credit terms.

If Auditel are not managing your utilities then ensure that you do not miss any contract termination deadlines whilst staff are on "furlough." This we can assist with.

Energy suppliers have indicated that if companies are struggling to pay bills they will be prepared to discuss payment plan options.

MOBILES

If you have company phones an increase in data usage might be seen whilst staff are at home. So do you have a data cap with your supplier? If not then just make staff aware how streaming things like Netflix as an example can have a serious impact on your data costs.

WASTE

Check your waste contracts if you are paying per lift then ensure you contact your supplier(s) and suspend the services. Also, you may have contract notice periods coming due typically these are a minimum of 3 months, and so it might be an ideal time to give notice rather than being committed to a further contract. If events change you are at least free then to negotiate another deal.



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HYGIENE MAINTENANCE & CLEANING CONTRACTS

Again, are you able to suspend services?

Also, note typically these contracts can be 3 to 5 years rolling contracts. So do not miss an opportunity to serve notice as penalty charges by these companies can be substantial if you roll into a further long term, but cannot honour the contract.

RENT

Particularly for our charity clients in the retail sector take an opportunity to speak with landlords to see if they are prepared to offer a payment holiday whilst shops are closed.

SERVICING & TESTING CONTRACTS

Many companies will have to delay things like Fire alarm testing, PAT testing, legionella, lifts etc. Just ensure you have written to suppliers cancelling these visits where necessary.

MERCHANT CARDS

Your merchant provider may have a minimum charge to be applied each month. Again, worth contacting them to see if this can be adjusted while premises are shut.

Important if contracts are coming to an end, worth serving notice on terminal rentals to avoid roll over situations.

INSURANCE

Have you made your insurance company aware that sites are now closed until further notice?

EQUIPMENT LEASE AGREEMENTS

Have you contacted leasing companies to see if they would be prepared to offer a payment holiday whilst equipment is not in use. Again, do not miss an opportunity to serve notice if leases are coming to an end

This is just a guide and if you have any questions with regard to suppliers and procurement matters then we are here to help please just give us a call.



For more information, please contact: