

Expert utilities management for Ego Restaurants

Auditel, in the guise of David Powell and Phil Bennett, has been a trusted partner of Ego Restaurants (Ego) for close to a decade. Mergers and subsequent restructures have enabled the brand to strengthen its position as one of the top Mediterranean inspired eateries in the market.

Throughout all this, Auditel have remained a constant source of assurance that the company's contracts are being effectively risk managed. Today, Auditel continue to provide Finance Director, Julie Leigh, with confidence and clarity over spend.

An all too familiar landscape

Prior to Auditel's involvement, Ego's contracts were arranged by an independent broker. The then Finance Director invited Auditel in to review the business' energy landscape, at which point, several issues were identified:

1. A number of supplies were out of contract, at very high cost to the company
2. When contracts ended, competitive tenders were not taking place
3. When new rates were agreed, there was often a significant gap between old and new contracts – all pushing up Ego's charges
4. Finally, Auditel highlighted that brokerage charges were built into the supplier rates, effectively hidden from the client.

Ego appointed Auditel on their no-nonsense 'share of savings' basis which ensures that charges are fully transparent and risk free for any client. After a thorough review to assess the company's requirements and understand the current contractual positions, energy supplies were tendered for new, competitive contracts. Historic and current invoices were checked to ensure all billing was correct, any errors were identified and corrected, with refunds arranged where possible. A new strategic approach to energy procurement was introduced to reduce Ego's exposure to volatility in the energy market.

"I've been with the company close to five years and Auditel had already been in place for some time, having been appointed by my predecessor," explained Finance Director, Julie Leigh. "I'd had really bad experience of brokers in the past so, when I first started, I was a bit dubious about using an external consultant. But I was busy and so I just let them get on with it in the first instance. To be honest they have been great, and I am really happy with the service. I'm what you might call a convert and I've retained them for the long-term because of the value they bring to the business."

Strategic management brings savings and reduces risk

As highly experienced sector consultants, David and Phil take a take a risk management



"I would definitely recommend Auditel's services other restaurant groups. They make it easy for me, they save me time and take the pressure off. I'm confident that the utilities are well looked after and their prices are competitive."

Finance Director, Ego Restaurants



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approach to energy contracts. Ego Restaurants has some 35+ meters across its estate and, rather than being consolidated, contracts are managed on multiple end dates. This ensures that Ego's energy liabilities are not weighted in the market at any one point, and therefore, the potential risks around price increases is more evenly spread. Operating at this level takes experience and skill but the result is that clients are able to take advantage of consistent, competitive average price structure, even in today's uncertain economic climate.

"Aside from the cost savings, the biggest value add they bring is the time that they save us," said Julie. "We're not specialists in this, but they are. They know the industry and have access to top level contacts and managed suppliers in the best interests of the company. I'm confident in the knowledge that our utilities are closely monitored, and I know, from my own benchmarking, that their prices are competitive. Auditel take a lot of pressure off and make things very easy for me. I receive a monthly report and each time a renewal is due, I'm presented with options and the information to make an informed decision."

Supporting future growth

A testament to the trusted partnership, Auditel now work on a fixed-retainer basis, which maintains their transparent approach and allows budgetary certainty for Ego. As the company navigates a period of rapid growth, David and Phil continue to manage energy renewals, ensuring all supplies are in competitive contracts, with a strategic approach to minimise market exposure.

Working to improve efficiency across the estate, Auditel have assisted with the installation of smart meters and the process of increasing site energy capacity where needed. They provide administrative support, such as advising suppliers of newly acquired or vacated sites and optimise control over spending through ongoing invoice verification; identifying errors and arranging refunds where possible. Ensuring legislative compliance, David and Phil enlisted the services of one of Auditel's own qualified assessors, Nigel Collins, to complete Ego's Energy Savings Opportunity Scheme (ESOS) assessment.

Also over the last 12 months, Auditel has introduced an automated measurement and control system to Ego's water supplies. This has immediately proved its worth by helping to identify a leak, resulting in a substantial reduction in ongoing water costs.



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