

Over £300K Savings for Salutem

Salutem Care and Education is an ambitious company with the objective to provide leadership and expertise in the delivery of complex care and education for adults and children. In a culture of kindness.

The Group has been formed from the acquisition and amalgamation of a small number of care companies and now operates over 120 sites from schools to complex care to day centres.

This growth process has created a period of expansion and great change.

Gillian Gibbon and Gordon Brearley first met with Paul Lawes the Chief Financial Officer in 2018 when the consolidation of various business processes of the acquired companies was in its infancy. Auditel undertook a Supplier Diagnostic Review to assess the opportunities to achieve improved value on indirect expenditure. This highlighted potential areas for action and prioritised these on the basis of potential results and contract positions.

Following this Review, Auditel was appointed to undertake procurement projects including heating oil, LPG, water, office supplies, janitorial and medical consumables, and waste. Subsequently, work started on print management and a project to independently review insurance services.

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from the outset with their knowledge and professionalism and I was confident that they would deliver.” said Paul.

Two Salutem sites use heating oil and LPG. The cost of purchase has been reduced by linking the delivery price to the wholesale oil index. Additionally, deliveries are arranged to minimise irrecoverable VAT. The Auditel expertise in this area led to a review of VAT on electricity and gas and a six figure refund was obtained.

Janitorial and medical supplies are a large cost area. In addition to the normal process of collecting accurate product usage information, tendering and price comparison, visits to potential supplier premises were arranged and product testing.

An opportunity arose to review copier Multi- Function Devices as the main contract had annual reviews allowing price increases and the first annual review was approaching. Within Auditel there are many subject matter experts and one such is Andy Saunders. With his 30 plus years industry experience and consultancy background, he was able to unpick the contract and negotiate new and improved terms. Four separate projects have been completed and savings delivered. Auditel is now the go- to point for all Salutem MFD purchasing decisions.

SALUTEM CARE & EDUCATION 
A Salutem Company • We are HumanKind

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Paul Lawes, Chief Financial Officer

SAVINGS BREAKDOWN

CATEGORY	ANNUAL SPEND	ANNUAL SAVINGS	SAVINGS ACHIEVED
Janitorial	£325,000	£53,488	16.5%
Waste	£43,668	£14,729	33.7%
Clinical Waste	£71,674	£5,265	7.3%
Heating Oil Plus VAT Benefits	£146,135	£44,372	30.4%
VAT on Electricity and Gas		£100,375*	*
Insurance		**	**
MFDs	£159,000	£81,168	51.0%
Water	£137,851	£7,621	5.5%
	£883,328	£307,018	

*ONE OFF REFUNDS **FIXED FEE

