

Auditel's knowledge of energy markets helps The Wallich to prevent homelessness in Wales

Having run projects for other charities with large numbers of properties, Gillian Gibbon contacted The Wallich to offer Auditel's help and expertise.

The Wallich has been providing accommodation and support services for homeless people since 1978, starting with a 20-bed hostel in Cardiff and expanding to a multi-project agency working in 16 Local Authorities in Wales.

The Wallich has over 150 properties and the task of procuring energy to obtain best value and managing all the meters and sites was very time consuming for their finance team. Auditel was engaged to help with the procurement and management of electricity and gas.

Whilst The Wallich had consolidated many of the supplies under one central contract for electricity and one for gas, there were a number of additional sites that were out of contract and needed tendering and managing, which was Auditel's first task.

In addition, the suppliers for the main contracts were not providing adequate consolidated billing and reporting, causing a lot of unnecessary extra work for the finance team each month.

The Wallich was not achieving best value from the procurement process as there was not sufficient internal expertise to fully understand the complex energy markets and how to optimise their buying power.

After all, they are experts at running a charity, not dealing with the energy markets.

This had resulted in The Wallich staying with existing suppliers for their main contracts each year, rather than switching to a more cost effective provider. Equally the workload of switching supplier was a deterrent.

Auditel's tendering of out of contract electricity supplies resulted in a saving of 16%, and for gas a saving of 49%. Several months later the main contracts were tendered and resulted in a change of supplier with savings of over £9,000 p.a. or 8% on electricity and £5,400 or 6% on gas.

The Wallich is always adding new sites and Auditel ensures that all new supplies are set up as quickly as possible, therefore avoiding The Wallich paying out of contract prices.

Auditel provides additional detailed reporting and analysis which reduces the workload of the finance team and will significantly help them in managing their 60 services going forward.

Auditel manages all the meters each month and validates and reports on all bills, leaving The Wallich to focus on delivering their charity services.

The Wallich is now discussing three further major expenditures with Auditel to see if costs can be reduced and control and budgeting improved.



SAVINGS BREAKDOWN

CATEGORY	SAVINGS
Electricity	24%
- Initial out of contract	16%
- Supplier switch	8%
Gas	
- Initial out of contract	49%
- Supplier switch	6%

"Auditel's professional approach and clear presentations of the key data has been invaluable in helping to save the charity money and assist in cost forecasting and decision making."

John Bowers, Finance Director

