



Client:
National Motorcycle Museum

Profile:
The National Motorcycle Museum Group comprises the world's largest motorcycle museum, award-winning conference and banqueting facilities and two 100-bedroom hotels offering accommodation and a range of leisure facilities. Nick Hartland, the National Motorcycle Museum Group's Development Manager, appointed Stuart Spencer of Auditel to carry out an audit on their essential business costs in March 2004.

Savings achieved:

Category	£ Saving
Electricity	£39,386
Gas	£7,760
Fixed line telephony:	
Call charges	£2,000
Service charges	£1,750
PBX Maintenance	£3,600
TOTAL	£54,496

Auditel and the National Motorcycle Museum

At this time, the Group's electricity contract was imminently due for renewal. Although they had received an offer from their incumbent supplier, they were unsure how to proceed with the renewal or, more importantly, how to effectively tender the market for competitive quotes. Stuart's first priority, therefore, was to ensure that NMM did not default to out-of-contract electricity rates so he lost no time in analysing their expenditure and tendering to the market for alternative supplies.



from left to right
Stuart Spencer, Auditel Consultant; and Nick Hartland, Group Development Manager, National Motorcycle Museum.

His second task was to investigate the Group's fixed line telephony expenditure. Because NMM were reluctant to move away from their incumbent supplier, Stuart used his expertise to negotiate a more appropriate tariff for their specific call profile, ensuring savings without the need to change provider. His thorough review of their invoices also showed that NMM were not taking advantage of all the discounts they were entitled to, so further savings were achieved by implementing all the relevant schemes.

A project to reduce water costs at the hotel laundry is still ongoing, although Stuart has already benchmarked actual consumption against expected consumption for all three main sites. This means anomalies in usage (such as leaks) can be picked up very quickly and NMM can budget more accurately for their water expenditure.

As well as lower overheads, a major benefit to NMM of the relationship with Auditel is the ability to call on Stuart's experience and expertise on an ongoing basis. This is particularly important given NMM's relatively small head office team, who have neither the time nor the resources to focus on cost management. For example, Stuart's post-implementation monitoring has already picked up and prevented payment of two overcharges, one of £2,000 relating to electricity capacity charges and another of £850 relating to an incorrectly applied phone tariff. With Stuart as an outsourced, additional member of the team, NMM's staff can focus on their core business objectives, confident that they will never pay more than they need to for their essential services overheads.



"Auditel's professional and thorough approach has steered us through this period of sky-rocketing energy prices and helped ensure that our costs are controlled and managed. We operate a lean head office team so without Stuart's help we wouldn't be able to devote time to focusing on this aspect of our finances on a regular basis. However, engaging Auditel means our energy water and communications costs are constantly monitored and reviewed without having to divert resources away from our core business or incur extra costs by increasing staff levels." – Nick Hartland, Group Development Manager