



# Helping the Construction Sector to generate additional profits during this challenging operating environment

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EXPERTISE WHEN YOU NEED IT

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# Our mission in the construction sector

**Our mission in the construction sector is to help our clients to generate additional profits in a challenging marketplace and operating environment.**

2020 was a year that brought many challenges for all businesses across the UK and the construction sector was no different. However, as we ease out of COVID restrictions the sector continues to face a number of challenges unique to the industry.

As many businesses clear backlogs of work and look for new opportunities, forward-thinking firms need to be aware of the huge number of issues that could blow them off course.

Cash flow will remain a major issue for the majority of companies and is particularly under pressure now since the introduction of Reverse Charge VAT, the rising cost of materials, IR35 implications and late or non-payment of work already completed.

The construction sector is always under considerable pressure to deliver more for less and even before COVID19 and Brexit the construction industry was facing a skills shortage which could increase labour costs and eat further into already tight margins.

This is why proactive and effective cost control is one of the most important factors in driving a profit surplus into the financial statements.

Our team of specialists get to know your business, understand your objectives and requirements, risks and challenges, then create a bespoke team of expert consultants to work on your projects.

Whether bringing in fleet & fuel experts, workwear & PPE experts, materials experts, waste and recycling experts, or those with a background in insurance, office supplies, energy or telecoms, our consultants work together to deliver for you.

We can also help you to generally structure supplier contracts, and if necessary, we will compile a legal case to contest, void or override the contract if you have been tied into unfavourable or unethical terms. You can divert all prospective client queries to us and we will conduct due diligence, we become the gateway between you and the markets.



## Strategic procurement built-in for Bovis Homes Group plc

*"I always appreciate the fact that Auditel are on top of their work, I never have to chase. Their reporting is concise, accurate and provides me with valuable data to monitor group spends and activity."*

**Head of Group Procurement,  
Bovis Homes Group plc**

# Supporting the construction sector towards Net Zero

**A critical issue that the construction industry has been facing in recent years is adopting sustainable practices. This challenge comes with many areas for consideration including, the cost of changing ways of working to be more sustainable.**

The Absolute Zero report, published at the end of 2019 by researchers from a group of UK-based universities, states that the construction industry uses half of all steel and cement produced globally and is responsible for 30 percent of its carbon emissions. If the UK is to stand a chance of achieving its target to achieve net-zero carbon emissions by 2050, this will need to be addressed by the industry as a whole.

From start-ups turning construction waste into bricks, to businesses engineering wood for optimum carbon storage, the world of sustainable building materials is growing at a rapid pace.

With the continued emphasis on using sustainable materials for the long term, and with clients more than ever requesting sustainability specifications, sustainability innovations are only going to continue to rise in 2021 and beyond. However, for a sector used to tight operating margins, fiscal incentives may be needed to accelerate change, encouraging contractors to make use of the eco-friendly alternatives that now exist.

However, construction firms can also see cost savings by implementing sustainable methods such as reducing waste and increasing energy efficiency. Other benefits of sustainable building products are the increased demand for them in the market.

Consumers are faced with a climate emergency and want to take personal responsibility for who supplies them with their buildings and building facilities. According to the report above, 34% of UK firms reported that they are facing increased demand for greener buildings.

In order for businesses to upgrade their tools or move to a more sustainable way of working they'll need to think about cash flow and how much they can afford to invest. Auditel can help you redirect resources from your overheads to invest for the future.



 **Boden Group**

## Professional, efficient & above all else - value for money

*"We have always found the service provided to be professional, efficient and above all else value for money. Being able to draft in an expert with an extensive network of industry specific suppliers enabled us to quickly reduce costs, develop relationships and improve service delivery."*

**Managing Director, Boden Group**

# Dedicated expert resource delivering improved performance

**Our offer to clients is simple. We will provide the expert resource that is required to make a tangible difference across the full range of your purchasing spectrum. We work with a large number of companies within the construction sector in the UK and over 4000 clients across all sectors.**

Our experts have detailed knowledge of the construction sector, including all categories of expenditure in your cost base, the most common suppliers and their capacity / capability, the core marketplace and contract structures. We are not brokers or traditional cost reduction consultants, we are an extension to your existing finance and procurement functions and as such we share the same ethics and objectives. For many of our clients we utilise an internal email address and actively partake or report in management meetings.

Auditel is a team of purchasing and supplier management experts. With dedicated construction sector specialists, we provide a best-practice adjunct to your existing finance and procurement function. Our experts spend the time and interrogate the detail of new and existing supplier interactions on an ongoing basis.

Together, we make a tangible difference to the spending, growth plans and profitability of construction sector clients all over the country. Our hard work, and the subsequent improvement to your income & expenditure account allows our clients to divert their valuable resources elsewhere. They can invest in the right technology, avoid expensive mistakes and ensure they are always achieving the best possible service and pricing available.

Our focus on long term and sustainable results ensures that we can generate financial savings whilst also delivering improvements in both service and quality.



## Impressed with the professionalism, honesty and openness

*"Auditel have conducted a number of phased projects and the savings have reached a considerable value. Persimmon have since involved Auditel in additional cost areas and specialist projects and the professional relationship between both organisations continues forward."*

# We do the work, and we know the market

**We understand that whilst most organisations feel that cost is generally well managed, the reality can be different. A number of operational assumptions and challenges, such as a belief in supplier loyalty, a lack of external pricing data or lack of time and resources to get to the detail prevent businesses from making the savings that are accessible in the market.**

With more than 100 supplier management experts, Auditel has a bank of skills and experiences – and time – that clients draw upon. Our team of experts features people from a diverse range of backgrounds and qualifications including accounting, legal, procurement, or in some cases joining Auditel from senior internal roles at some of the suppliers that we have worked with.

Your dedicated Auditel client manager has a deep understanding of the construction sector and has worked with other clients with similar challenges. He or she will draw upon expertise from the wider team to deliver individual category projects.

Auditel has relationships with more than 2,000 UK clients, which gives us significant market awareness and leverage. That spending power gives Auditel consultants access to price points clients cannot access alone. In addition, we have extensive

benchmarking data from existing clients and projects which enables us to understand not only which suppliers are delivering the best prices, but the best customer feedback and service.

Our dedication and commitment is what enables us to really deliver results for clients that lead to long-term relationships. Not only can we manage your tendering process if migrating suppliers, we remain dedicated to the category for the length of the contract. Performing regular detailed invoice checking and ensuring contractual terms and pricing is adhered to therefore reducing spend creep to close to zero.

Auditel works to understand not only what you are buying but the motivations behind the decision-making. Whether you are currently motivated by price, value, relationship, quality or delivery speed we will ascertain the information we need to provide a detailed specification for suppliers to adhere to.



## Saving considerable time and money

*"We engaged with Auditel to drive costs savings through maximising value through our existing supply chain and new sourcing initiatives. Their knowledge of the industry and flexible approach proved highly valuable in saving considerable time and money."*

**Finance Director, Antac Support Services**

# A risk-free, flexible partnership working in your best interests

Our confidence that we can make a difference, despite many clients' assumptions to the contrary and our 'shared savings' business model provides us with the motivation to beat your existing arrangements. So much for the bread and butter. The icing on the cake is provided by all the additional benefits we obtain; better equipment, fairer contracts and proactive supplier innovation.

## REDIRECTING CASH FLOW BACK INTO YOUR CONTROL

Most organisations feel that within an acceptable margin, their costs are under reasonable control. Auditel's experience has given us a different view; that in most cases there will be worthwhile savings and improvements to make. We believe our expertise can give you an edge and that is why we are prepared to risk our own time and effort to demonstrate the viability of our proposals.

From a fee perspective Auditel will always seek to limit the exposure of our client, after all we are here to save your money, not spend it.

With our self-funding contingency model, we can release cash back into the business that can be reallocated to their immediate priorities. We do not invoice our clients until they have seen the savings achieved and banked, our fee is raised against reported evidenced gains and NOT on projected gains.

With the above in mind, there really is no "sell" from Auditel. The process is quite the opposite, as we seek to qualify your cost profile and run some tests in order to assure whether we can add value to your organisation.



## Auditel get results

*"Auditel have assisted Aqualisa for several years and have saved us hundreds of thousands of pounds and improved our services in cost areas such as couriers, palletised freight, sea shipping and packaging. I view them as an extension of our Procurement Team, and even post-implementation I regularly seek their help and assistance with ad-hoc queries. They are professional, knowledgeable, reliable, and most importantly they get results."*

# A free confidential audit of supplier spend

We offer a free confidential audit of supplier spend at no cost or commitment to your business.

The audit will provide a clear understanding of the organisation's current position and identify opportunities to improve your cash-flow and increase profitability across your entire indirect supplier spend.

This is offered with no engagement terms, and under the protection of a simple NDA. It is not a particularly invasive or intensive process, in theory we just need access to a few reports and invoices, from here we will assess the costs for a few days.

Regardless of whether we, and you, support a project in your organisation, our feedback will provide valuable assurance and identify areas of strength, weakness, exposure and opportunity in your overall cost base.

By looking at some of your spending data, we can quickly and accurately predict whether we will be able to create a meaningful difference. What constitutes added value can vary from client to client, but most of the time, to clients delight and surprise, we can deliver:



## Dedicated Resources

get to the details that really make the difference



## Detailed Knowledge

of the market, what value looks like and how to achieve it



## Expertise

with detailed category knowledge, working on your behalf



## Unique Tools

analytics and benchmarking data allowing informed decision-making



## Buying Power

access to unique pricing frameworks and specialist partner suppliers



## Turning information into profit

*"The results should be testament to other organisations looking for a no-risk, professional and quick way to increase profitability. The process was swift, effective and most importantly didn't take up our time. We provided the information and they turned it into profit."*

# You can believe in Auditel

**Auditel's network of experts offers an unrivalled level of skill, knowledge and expertise. Our hand-picked teams work hard to understand your challenges, then work to uncover opportunities to reduce costs. We find better suppliers and deliver high-quality, innovative products and services that match your own plans**

We deliver provable, significant savings whilst eradicating maverick spending, holding your suppliers to account and ensuring adherence to the contract. Poorly controlled spending and leaking cash is the silent profit killer for any organisation.

Auditel helps to stamp out poor practice with a win-win offer that requires no budget to proceed and delivers only improvements and savings.

We can help improve cash-flow, increase profitability, lessen the administrative burden and free up internal resource.

The aim of engagement is to help improve our client's supplier relationships, strengthen their negotiating position and improve efficiencies and processes. This leads to time and resources being released back into the business. It is not purely about price but putting in place sustainable long-term solutions that benefit all parts of the business.

**HOWEVER**, the cost savings can be remarkable, 6 & 7 figure annual improvements to profit are not unusual.

And we can do it with no direct cost to the client.



## Extremely knowledgeable

*"We've dealt with Auditel for many years now. They have assisted us in many areas of procurement, including; energy, water, fixed line comms, broadband and mobiles. They are extremely knowledgeable in their areas of expertise. Their advice is well informed and responsive but also practical and have assisted us in procuring the most cost-efficient contracts. Auditel are extremely reliable and offer a quick turnaround to all requests."*



