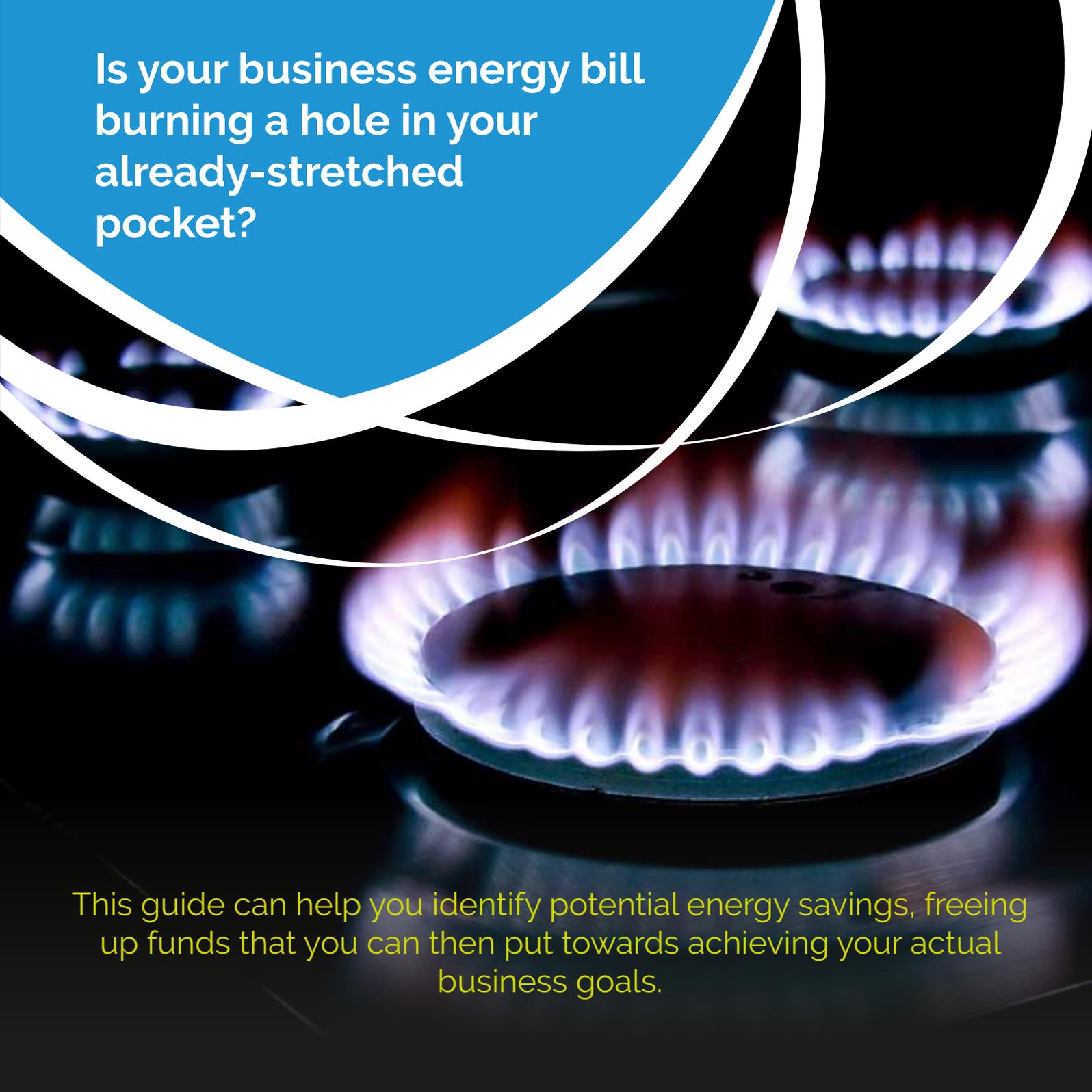


Your Business Energy Saving Guide

Business energy saving advice from the business energy experts to help your small business save money and maximise energy efficiencies.



smarter  business



Is your business energy bill
burning a hole in your
already-stretched
pocket?

This guide can help you identify potential energy savings, freeing up funds that you can then put towards achieving your actual business goals.

So, how much are small businesses paying for their energy?

There are a number of factors impacting the amount that businesses pay for their electricity - including location, the type of business and usage habits. Nevertheless, industry averages estimate that small businesses spend around £2730 per year on electricity and £1050 on gas, totalling £3780.

Ofgem's 2017 'State of the Energy Markets' report found that smaller UK businesses are paying 50% more for electricity than very large consumers. This may be because larger business customers have more leverage to negotiate better deals and/or have more resources available to shop the market and switch to a cheaper supplier.

Ofgem also estimate that 60% of small businesses have stayed on their supplier's default standard tariffs, which usually means that they are paying more than they need to (around £369 more each year). Over time, this amount adds up - **imagine what your business could do with an extra £3690 in 10 years!**

Smaller UK
businesses are paying
50% more for electricity
than very large consumers.





**Two simple
ways to reduce
energy costs**

1

Shop around and save on energy tariffs.

Simply put, it pays to shop around. There are currently 60 energy suppliers in the UK, but over half (58%) of small businesses have never switched suppliers, or have only switched once. In a competitive market, this is a massive missed opportunity.

How much do you stand to save?

By shopping the market and comparing business energy quotes, your business can save up to 40% on your energy bills, money which can then be allocated to other important areas.

What stops businesses from switching?

- > **It's too much effort:** There is some legwork involved in shopping and switching, but the cost-saving benefit is usually worth the effort.
- > **I won't save much money:** The amount of money your business stands to save depends on your energy usage habits and your current deal. However, it's likely that if you haven't switched for a while, the savings could be significant.
- > **I'm loyal to my supplier:** When it comes to energy savings, businesses need to be proactive to find the best deal and achieve significant savings, which does mean that it's worth comparing quotes from other suppliers. It can also be worth negotiating with your existing supplier for a new deal that better suits your business' needs.



Did you know?

By turning your thermostat down by one degree, you could save close to **£100 a year**.

2

Reduce energy consumption

Along with reducing energy tariffs, businesses can also look to reducing actual energy consumption within the business environment.

Get stakeholder and staff buy-in

Engaging staff in the goal of energy efficiency can help your business reap better energy efficiency rewards. Here are some ideas:

- Be clear on your energy savings goals and communicate these to the team.
- Discuss the benefits of saving energy, such as reducing costs and the business' carbon footprint.
- Conduct a walk-around the building or facility with your staff members with the goal of identifying energy-saving opportunities.
- Ask staff for their ideas on energy saving.
- Assign energy-saving roles and responsibilities to members of the team.
- Use competitions and incentives to make saving energy fun.

Knowledge is power

Small businesses can benefit from the government's rollout of new smart meters to monitor business energy consumption:

- Smart meters send meter readings for electricity and gas to suppliers automatically, saving time and ensuring accuracy.
- Even more beneficial is the accurate data that smart meters are able to provide to the business, allowing you to accurately assess your business's energy usage. This can help you identify how to save energy, and save money as a result.

Once you have a smart meter installed, it's important to nominate at least one staff member in the organisation to be responsible for monitoring and analysing this data and using it to inform an effective energy strategy for your business.

For smaller businesses without the skills or resources to regularly manage the meter information, it's advisable to seek the services of a specialised energy broker. The broker will help you monitor your usage and portfolio to strategise around real-time information to get the most out of your energy contracts.

Easy energy-saving measures

Energy saving is both a long- and short-term strategy. Some energy efficiencies require initial investment or infrastructure, but others can be implemented almost right away.

Here are some ideas to save energy and cut business costs now:

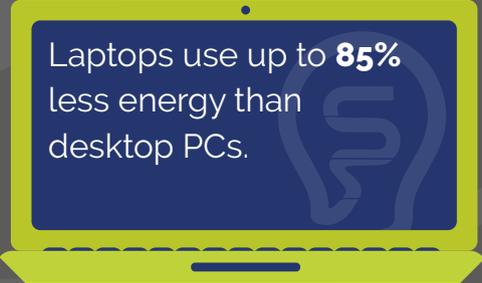
- Shutdown and unplug laptops, PCs, printers and other equipment at the end of the day.
- Use Energy-Star appliances that use energy more efficiently.
- Replace all of your incandescent lights with LED or energy-efficient fluorescents (they cost a little more upfront, but last 10 times as long and are four times more efficient).
- Try use natural lighting as much as possible.
- Turn off lights when not in use, or install occupancy sensors.
- Clean or replace your air filters regularly.

Longer-term energy-efficient investments can include:

- Installing solar panels
- Re-insulating your building
- Upgrading your heating and cooling systems
- Investing in new energy-efficient equipment

Not only will implementing these measures save both energy and money, but can also qualify your business for tax reliefs if you can demonstrate that you're operating your business more efficiently.

Did you know?



Laptops use up to **85%** less energy than desktop PCs.

This all sounds good, but where do I start?

Many SMEs have all intention of saving energy and reducing energy costs, but the truth is that they simply don't have the time, expertise, resources or relationships to pursue strategic energy portfolio management. This is why it's beneficial for businesses to use the services of an energy broker.

Smarter Business saves SuperCity Hotel Chain £250,000 through energy contract alignment

SuperCity is a rapidly growing, multi-award-winning chain of luxury serviced hotels with locations in London, Manchester and Brighton.

In plotting the best course of action for SuperCity, Smarter Business looked at their operations holistically to devise an effective energy strategy to fit in with SuperCity's existing infrastructure and expansion plans.

Ryan Mason is the financial director at SuperCity and is responsible for all of the aparthotels' energy contracts in the UK. Prior to working with Smarter Business, he found himself managing a range of contracts with different start and end dates across different suppliers – an unnecessarily time-consuming task in the energy-intensive hotel industry.

Ryan says:

"We have over 150 rooms, as well as kitchens and restaurants, each needing heating, lighting, and refrigeration. Energy is a big expense in our business and we had multiple contracts with various suppliers.

We needed to get better electricity and gas rates and make savings while retendering the contracts. The challenge was to try to make as many savings as possible. We'd just been rolled over and discovered we could make a big saving when Smarter Business was brought in – without them charging a fee.

They did everything. I previously had to do everything myself when tendering an energy contract, but they took the whole thing on and handled all aspects of it. Their communication was brilliant and it was done effortlessly. It was just so easy. As a business, it saved us valuable time.

Through Smarter Business, we could make a £250,000 saving straight away by switching with them. Subsequently, they have been extremely helpful – anyone would have struggled to achieve these savings without them."

Why use a broker?

- They have long-standing relationships with reputable suppliers.
- Brokers are able to negotiate, procure, and compare energy quotes on your behalf and ensure contract terms best-suited to your needs.
- With their industry knowledge and expertise, brokers can secure the most affordable energy contracts.
- They can also advise on other energy-related services such as smart metering and invoice validation.
- A broker can assist you in setting up a strategy to monitor and manage your gas and electricity.
- They will implement best practices for on-going benefits and energy savings, helping you rollout energy-efficient measures sensibly and strategically.

Business energy savings from the experts:

- At Smarter Business, we exist to help your business save time and money.
- There are no additional fees in using our service.
- Fast and easy quoting service, with a whole-of-market price comparison.
- We can help secure better rates with your current supplier.
- Through our tailored advice, it's our mission to match each of our customers with the best possible contract for their needs.
- We do the legwork, you do the saving.
- Get reliable customer support.
- We were the first broker to achieve TGP's Platinum accreditation for compliance. This accolade affirms that we sell in an ethical and compliant way. The targets are set at a demanding level, which means a broker needs to show a real ongoing commitment to compliance excellence to meet them.
- We are independently rated as 'Excellent' on TrustPilot.
- We are ranked as a leading consultancy by Cornwall.



smarter  business

John De Mierre House | Bridge Road | Haywards Heath | West Sussex | RH16 1UA

t: 01444 220060

e: info@smarterbusiness.co.uk

w: www.smarterbusiness.co.uk