

## How can I combat soaring utility costs?

**Q: I am the general manager of a 50-bedroom independent hotel and I'm worried about my gas and electricity bills, which have gone through the roof recently. What can I do to combat these soaring utility costs?**

Utility costs are driven by both consumption and price; strategically you need to manage both. Typically, heating will account for 50% of your costs, lighting will account for 20% and hot water may account for 15%. This gives you the areas to focus on.

The first piece of work is to measure the square meterage of the areas of the hotel that are heated and review the last 12 months of consumption as shown on the utility invoices. If your consumption is more than 360 kWh/m<sup>2</sup> of gas and more than 120 kWh/m<sup>2</sup> of electricity, you should focus on becoming more economic in your use of energy.

You should ensure all existing equipment is working effectively. Check that timers, programmers, optimal start controls and weather compensation controls are set up and operating correctly.

You must ensure that systems come on only when needed, where needed and to the extent they are needed. It's useful to have a daily routine that checks that control settings that may have been manually overridden are returned to the default position.

These measures cost nothing except time and effort and should enable you to strategically manage down your consumption.

As a sole trader, you have limited opportunities to reduce the unit cost of energy. You should try alternative suppliers, but also consider whether you wish to join one of the networks that would allow you access to centrally negotiated national tariffs – e.g. with the central negotiating power of a franchisor

End

<b>Registered office</b>	Phone: +44 1752 873198	<b>Main office</b>
84 Fetter Lane	Fax: +44 1752 872399	Old Cottage at Nymet
London	<a href="http://www.hotelsolutionspartnership.com">www.hotelsolutionspartnership.com</a>	Noss Mayo
EC1 4BE	Company registered Cardiff no: 4891951	Devon
	VAT no: GB 819 2713 22	PL8 1ED