

## Your Utilities Advantage



from PDI utilities

# Have You Ever Counted The Real (Hidden) Cost Of Dealing With The Statutory Utilities?

Dear Colleague

It never really ceases to amaze me when some developers automatically opt for the lowest priced utilities quotation on their table.

If you are one of these companies then I'm afraid you are failing to acknowledge the real cost of utilities procurement by putting the lowest price on paper ahead of essential considerations such as reliability, delivery, and ease of doing business.

When I say 'real cost' what I am referring to are both the 'visible' and 'hidden' costs of utilities installation which can mount up once problems start to arise on site. Therefore the price on paper is not ultimately the price you pay!

The most common scenarios that lead to additional costs are explored below. Some of them you may already be familiar with, but the truth of it is this: - If you want to ensure that you're opting for the truly cost effective option then it's essential that you attempt to identify the overall real cost at the outset before choosing who to place an order with.

Best Regards

Jonathan Buxton

Managing Director



### Why the price on paper is not the price you ultimately pay...

#### The visible costs

Visible costs are those that result from additional work that's carried out resulting in increased bills.

For example when the statutory utilities fail to arrive on site

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"The Seven Biggest Mistakes New-Build Developers Make When Planning And Coordinating Utilities Infrastructure - And How To Avoid Them."

This valuable report will show you where developers go wrong, and will explain what you can do so you don't make the same mistakes. Claim your copy by sending an email to [info@pdiutilities.co.uk](mailto:info@pdiutilities.co.uk) with "Free Report" in the subject line.

Why not take advantage of our no obligation telephone review of your current utilities management process? We'll help you identify at least three ways you can improve the planning, co-ordination, and installation of your services. Simply pick up the phone and call me on 0870 444 1103.

to carry out work that has already been scheduled into your programme it has an impact upon other trades.

Typically this can mean that pre-excavated trenches may have to be backfilled and then re-excavated at a later date, and this usually leads to your groundworkers claiming additional costs.

Other common scenarios are the late connections of plots to the main, or delays in meter fitting. Both can have an impact upon the internal finishing trades such as plasterers, meaning that their work takes longer to dry out before decorators can move in.

### The invisible costs

Now, by their very nature invisible costs are almost always overlooked but very easy to identify all the same.

These costs are being run-up without you even realising it. For example, here are some common scenarios:

- Filling in of multiple application forms for design layout and quotations: Involving information gathering, and then endless chasing and telephone calls.
- Site Managers input on site: Calling off and co-ordinating four or five utilities contractors, leading to chasing and dealing with the impact of delays and resulting in rescheduling work of other trades. Also meetings and the general hassle and inconvenience associated with it all.
- Senior Managers/Directors input both in the office and on site: Chasing, phone calls, and meetings.

Obviously the above doesn't lead to additional bills from your sub-contractors, however if you were to calculate the time being spent on these activities by your staff I think you'll be rightly concerned.

And when you calculate the hidden cost i.e. hours spent per man x their individual hourly rate of pay, I'm sure you'll be horrified!

This situation has already been identified by The National Federation of Builders whom conducted The Utilities Survey 2008. The survey revealed that a member has estimated that dealing with the statutory utilities costs them £100,000 per year in delays. And this was just a small company.

More to the point - how much is it costing you?

If you'd like a helping hand to identify exactly what your utilities projects are really costing you, then for the first three companies only who contact me, I'll help you produce a true cost estimate, based on the PDI management software we use for our own projects.

Call me on 0870 444 1103 or email [jbuxton@pdiutilities.co.uk](mailto:jbuxton@pdiutilities.co.uk)

No cost to you, and no obligation.

Best regards,

Jonathan Buxton

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PDI utilities

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