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SOFTWARE COSTS CHECKLIST

Costs for new software aren't limited to the price you pay for the software itself. There can be additional costs you need to consider and factor into your budget. When you're calculating your budget for software, it's important to consider the medium and long-term costs as well as your initial spend. This will help you decide if this is an investment you can, and want to, commit to.

Use this checklist to calculate all your initial set-up and ongoing costs.

	Additional services	Cost (£)
Initial set-up costs	**Licence fees** *This might be a one-off fee for the software or a licence-per-user. If you pay per user, consider how many licences you'll need.*	
	Installation *Installing new software in-house will cost less than paying for an external supplier to do it.* *It's worth checking if it's included in the costs that are part of a package that a supplier offers.*	
	Training *Costs will vary depending on whether you plan to carry out the training in-house or using external experts.* *Work out how many people will need to be trained.* *Include initial training when the software is first installed, plus long-term, ongoing support.*	
	Compliance *This can include GDPR and health & safety.* *It's often worth using a software asset management system to ensure that you're as compliant as you need to be.*	

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	Additional services	Cost (£)
Initial set-up costs *(continued)*	**Project management** *This involves managing the planning, implementation and monitoring of new software.* *Do you intend to have someone in your team to act as project manager? Or will you outsource it?*	
	Consultancy fees and paid-for advice *Consultants offer independent and unbiased advice. They look at which software products can solve specific problems in a business.* *They can also offer troubleshooting and technical support.* *If you've gone through the process of buying and implementing new software before, you may not feel like you need this extra support or advice.*	
Ongoing costs	**Software licence renewals and upgrades** *Before renewing any licence, check that you're using all that you're paying for. You may want to reconsider what licence(s) you have.* *If your business is growing quickly, however, you may need to increase your budget. If you're paying per user, for example, you need to pay for more licences.* *You may want to factor in the option of paying for upgrades over time if they offer significant benefits to your business.*	
	Cloud service subscriptions *This is often an upfront payment ahead of being given access to Cloud services. Prices are usually based on the subscription, with longer ones generally being cheaper.*	
	Hardware leasing *Factor in any hardware you might want to lease, that supports the software you're buying – from laptops and tablets to mobiles.*	
	Maintenance and IT support *This could include: budgeting for any extra hardware or software that's needed; data back-ups; disaster recovery; and general maintenance of laptops and other devices.* *If your company is quickly growing, you many need to allocate spend for more data storage.* *Allocating budget for investing in maintenance over time may increase your productivity (with you and your team spending less time sorting out IT issues).*	
	Total	

With this checklist completed, you should now have a clearer idea of the short and longer-term costs that you need to consider when buying new software.

Once you've filled in the downloadable Software Benefits and Savings Checklist too, you're ready to start shortlisting potential products and suppliers.

Find out more in step 4 of our 6-part series of guides Buy software with confidence.

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