

TOTAL OFFICE COST SURVEY 2019

DEFINITION OF COST HEADS

ITEM	NEW 2019 BUILDING	20 YEAR-OLD BUILDING
General	All costs are total and assume the annual cost of occupation. All expenditure heads are mutually exclusive. All VAT is assumed as recoverable. Capital items are written off straight line over specified terms.	As for new building.
Building	<p>New, good quality, air-conditioned, 2019 completed B1 self-contained office building of 50,000 sq ft. (NIA) built on four floors and situated in a prime location. Constructed of steel frame, curtain walling and raised floors. The building has an EPC rating of B and a BREEAM VERY GOOD rating.</p> <p>Office accommodation completed to Category A developer's finish. Plant serving the office accommodation located at roof level. The environmental services installation provides four pipe ceiling mounted fan coil air conditioning, low pressure hot water generated by natural gas fired boiler plant, chilled water generated by air cooled chiller plant, supply and extract ventilation systems and building management system.</p> <p>Temperature is 22°C + 2°C. There are three 13-person passenger lifts within the main core to serve all floor levels and one 8-person firefighting lift. Male and female toilets plus unisex disabled toilet to every office floor plus showers at ground floor level. Lighting to general office areas comprises 600 x 600mm modular luminaires in accordance with the recommendations of the CIBSE GuideLG7. The general ambient illumination within the offices is an average of 350-400 lux based on an open plan arrangement.</p> <p>Ventilation is 12l/sec/person supply.</p> <p>Lighting is 15 W/m².</p>	<p>Second hand, good quality, air- conditioned, 1999 completed B1 self-contained office building of 50,000 sq ft. (NIA) built on four floors in prime location.</p> <p>Constructed of steel frame, curtain walling and raised floors. The building has no BREEAM Rating.</p> <p>Assume cleared floors and full reinstatement following previous occupation.</p> <p>Assume fully invested planned maintenance programme over last 20-years. The fabric of the building and windows are wind and watertight and in good repair. The tenant's schedule of condition prior to taking occupation and signing the lease has revealed no inherent defects. Air conditioning plant is 20-years-old but has been fully maintained and has an operational life expectancy of at least 10-years. Plant serving the office accommodation is located at roof level. The environmental services installation provides wall mounted VAV air conditioning, low pressure hot water generated by natural gas fired boiler plant, chilled water generated by air cooled chiller plant, supply and extract ventilation systems and limited building management system. Temperature is 22°C ± 2°C. There are three 13-person passenger lifts within the main core to serve all floor levels and one 8-person fire-fighting lift. Male and female toilets plus unisex disabled toilet to every office floor plus showers at ground floor level.</p> <p>Lighting to general office areas comprises 600 x 600mm modular luminaires in accordance with the recommendations of the CIBSE GuideLG7. The general ambient illumination within the offices is an average of 350-400 lux based on an open plan arrangement.</p> <p>Ventilation is 12l/sec/person supply.</p> <p>Lighting is 15 W/m².</p>
BREEAM	<p>The following elements (which relate to BREEAM recommendations are included in the building (as available to let):</p> <ul style="list-style-type: none"> • High frequency ballasts on lighting • Water meter linked to BMS for better monitoring • Suitably designed water systems to reduce risk of Legionella and other water related problems • Ecological impact has been suitably mitigated <p>For further information on BREEAM for offices visit breeam.org</p>	Not BREEAM rated.

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Parking	Cost of parking is excluded for all locations.	As for new building.
Use	B1 office with a 1 to 1 staff/workstation ratio e.g. one workstation for each of the 500 office staff accommodated in the building.	As for new building.
Data point	31-Mar-2019	As for new building.
Space utilisation and design	500 workstations at an overall density of 100 sq ft. (NIA) per workstation which includes primary circulation, storage areas, support space, reception area, 60 cover café area, one 25-person boardroom, two 12-person meeting rooms, four 8-person meeting rooms, four 4-person meeting rooms, ten 2-person meeting rooms/hermit cells, 64 seats in informal meeting/breakout areas and 12% cellular, 88% open plan layout.	As for new building.

OCCUPATIONAL COSTS

ITEM	NEW 2019 BUILDING	20 YEAR-OLD BUILDING
Net effective rent	Net effective rental value fully reflecting any rent free inducement on a straight line basis over the term of the lease. Assume B1 office use on the basis of building description, lease terms and a prime location as outlined above.	As for new building.
Rates	Estimate of rates payable 2019-2020 with transitional arrangements/phasing taken into account (England only) based on the 2017 rating list/valuation roll in England, Wales and Scotland and 2015 valuation list in Northern Ireland.	As for new building.

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ANNUALISED COSTS

ITEM	NEW 2019 BUILDING	20 YEAR-OLD BUILDING
Fit out	<p>Assumes initial Category A developer finish is already present (see above under Building). Fit out includes demountable partitioning (12% cellular 88% open plan layout) and fully glazed fronts for one 25- person boardroom, two 12-person meeting rooms, four 8-person meeting rooms, four 4-person meeting rooms, ten 2-person meeting rooms/hermit cells, 64 seats in a variety of informal meeting/breakout areas and 60 cover café area. The fit out includes Cat 5e cabling for use by both voice and data, electrical installation for small power at 25 W/m², carpet tile floor coverings to office areas, laminated wood flooring to café area, general fixtures and fittings, suspended ceilings, adaptation to the air conditioning system as required reflecting layout and partitioning and window blinds. All written off over 10-years. The fit out will achieve a BREEAM VERY GOOD rating.</p>	<p>Assumes cleared floors and full reinstatement following previous occupation within the second hand building. Otherwise fit out is the same for new building with the same layout configuration but it does not have a BREEAM rating.</p> <p>All written off over 10-years.</p>
Furniture	<p>Include 500 x 1,600mm workstations, task chairs, pedestals, two linear metres storage per person, executive board room seating, boardroom/meeting tables, sofas for reception, café tables and chairs for 60 covers, seating for informal meeting/breakout areas (64 seats), screens, kitchen units/equipment, one 125 lin m high density storage area per floor. Excludes IT equipment. Written off over five years. The furniture should be made from 90% recycled or renewable materials.</p>	<p>Assume new furniture as for the new building, written off over five years.</p>

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HARD FM

Lambert
Smith
Hampton

ITEM	NEW 2019 BUILDING	20 YEAR-OLD BUILDING
Insurance	All building insurance policies. Includes terrorism, rent loss, rebuild and refit etc. Excludes business interruption, employers' liability and public liability and tenant's contents/stock.	As for new building.
Internal repair/maintenance	Includes planned and reactive internal redecoration, repair and maintenance to surfaces, furniture, equipment and fittings, and space reorganisation. Based on an average of years one to 10 of Life Cycle. Replacement costs plus an appropriate allowance for reactive maintenance.	Scope as for new building but based on an average of years 21 to 30 of Life Cycle Replacement costs, plus an appropriate allowance for reactive maintenance.
M&E repair/maintenance	Refer to description of building plant in building description above. Includes all annual costs for repair, servicing and maintenance of M&E including HVAC, lifts, building services, electrical distribution and fixed equipment, re-lamping, PAT and M&E specialist contracts. M&E Repairs are based on a theoretical asset list which includes the following classes: Heating System, Chilling System, Air Conditioning, Water Drainage and Plumbing systems, Electrical Services, Fire Detection and Suppression, Security Systems, Vertical Access, Statutory (PAT etc). Allows for on-site engineer 50% of the time.	Refer to description of building plant in building description above. Otherwise as for new building.
External repair/maintenance	Includes planned and reactive internal and external redecoration: external building fabric including all integral structural parts of the premises, roof, rainwater goods, external walls, windows and doors. Excludes landscaping. Based on an average of years 1 to 10 of Life Cycle Replacement costs plus an appropriate allowance for reactive maintenance.	Scope as for new building but based on an average of years 21 to 30 of Life Cycle Replacement costs, plus an appropriate allowance for reactive maintenance.
Internal moves	Associated with space reorganisation on basis of 50% churn. Excludes partition/furniture moves. Assume four crates per person for one week.	As for new building.
Dilapidations/reinstatement	Annual costs of anticipated landlord claims at end of contract period. Assume high level of maintenance and low repairing requirement. Full removal of 12% cellular space and rebalancing of air conditioning. Full redecoration internal and external. Minor repairs to ceiling and carpet tiles.	As for new building.

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HARD FM

ITEM	NEW 2019 BUILDING	20 YEAR-OLD BUILDING
Security	Assume one main access for staff and visitors to front of building with reception area and access control system in front of lift lobby area. Assume rear access for goods delivery only. Assume swipe card access system to main access doors to office areas off lift lobby on all floors. Includes total annual costs of securing the premises on a fully staffed 24-hour basis including annualised capital costs and maintenance of access control systems, intruder detection systems, CCTV cameras, badges/identity cards, swipe card readers, uniforms and additional communication equipment for 24hr/365day cover. A dedicated digital CCTV system is provided to the main building management office on the ground floor.	As for new building.
Cleaning	Both interior and exterior of entire premises including staff costs and consumables. Includes internal and external windows (quarterly) and surfaces, WC accommodation, common parts, sanitary disposal, freshening systems, roller towels, dust control mats, fittings and paper recycling. Periodic cleaning of carpets, floor finishes and deep cleans are included. The building is assumed to have an 88% open plan 12% cellular split of space. The cost is based on part time evening cleaning for standard office cleaning, and daytime housekeeping services to support washrooms and meeting rooms. Cleaning consumables are chosen for low environmental impact and should be eco-friendly and naturally bio-degrade.	As for new building.
Waste management	Refuse collection and confidential and toxic waste disposal. Includes in-office recycling stations and reflects the occupier's green waste management policy.	As for new building.
Internal plants and flowers	Provision and maintenance of flowers/shrubs including dusting, pruning and watering. Include specimen plants in reception. Reception area to have one fresh flower arrangement delivered on a weekly basis, each of the four floors plus reception to have 15 1.8m specimen plant display in a contemporary planter (75 plants in total).	As for new building.
Water and sewerage	Water supply, treatment and sewerage including repair and maintenance. Assume 25 litres/day each for 520 people for 300 days/year. 50mm diameter meter, standard local water company tariffs. Recently more water companies have begun to charge separately for surface water drainage. Costs can depend on (water) meter size, rateable value or site area, or be fixed. We have assumed a site area of 1,500 sq m. Last year's figures used if this year's have not yet been published.	As for new building.
Energy	Estimated annual consumption is based on the government DEC benchmark converted from kWh/sqm GIA to kWh per sq ft NIA. Estimated consumption: Gas 696,750 kWh (13.94 kWh /sq ft) Electricity 551,594 kWh (11.04 kWh sq ft) CO2 Emissions (tonnes): Gas 696,750 x 0.206 x 0.001 = 144 tonnes Electricity 551,594 x 0.43 x 0.001 = 237 tonnes Total 381 tonnes per annum	Estimated annual consumption assumes economic attitude towards energy use within the older and less efficient building. Estimated consumption: Gas 1,858,000 kWh (37.16 kWh/sq ft) Electricity 836,100 kWh (16.72 kWh/sq ft) CO2 Emissions (tonnes): Gas 1,858,000 x 0.206 x 0.001 = 383 tonnes Electricity 836,100 x 0.43 x 0.001 = 360 tonnes Total 743 tonnes per annum

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SOFT FM

ITEM	NEW 2019 BUILDING	20 YEAR-OLD BUILDING
Telephones	Hosted VoIP system. Includes three reception console positions each with Cisco 7962 handset, 507 Cisco 7911 handsets, 11 Polycom Conference Stations, 11 Cisco48 port PoE Switch 300 series, call answering staff costs, maintenance and line rental, voicemail, fax on demand and free seating technology. Includes free calls to UK local or national landline numbers. Assumes five year contract, including initial staff training but excludes any special external datacomms links. 1.25 FTE for telephonist. Capital costs written off over five years.	As for new building.
Catering	Cafeteria trading period 0830-1500 five days a week. Limited on site food preparation with one hot snack meal at lunch time with jacket potatoes, sandwiches, paninis, soup, cakes, pastries, toast, yogurts and cereals. Operation of a beverage, working breakfast/lunch service to meetings. Fair trade coffee, tea, cold drinks, water, confectionery and snack vending machines, with water and hotwater free. Tariff is less than High Street butallows for 40-45% gross profit. This survey figure equates to subsidy required for the operation to be sustained. Ideally, all linens, plates, mugs and glasses should be re-usable, local produce and organic wholesalers should be used near the office, packaging should be avoided as much as possible, menus should highlight seasonal produce and air-freighted produce should be avoided. However the price shown in TOCS does not fully reflect all of these sustainability objectives. Equipment costs estimated at £150K to be written off over 10- years.	As for new building.
Reception	Assume one main access for staff and visitors to front of building with reception area and access control system in front of lift lobby area. Assume rear access for goods delivery only. Operational 0800-1800 5 days per week. 2.5 staff (FTE). Includes recruitment, training, relief, consumables and uniforms.	As for new building.
Post/ messengers	Opening, sorting, distributing, packaging, stamping, recording and dispatching of mail. Two mail points per floor, two deliveries per day, one franking machine.	As for new building.
Printing and reprographics	Based on a 3-year lease contract for 20 standard colour multi- function devices (MFD) with "smart colour" selection and one high volume black and white printer/copier. These fulfil all the printing copying scanning and faxing requirements of the office and are based on one MFD for every 25 staff members, (20 MFDs based on 500 staff) and one high volume MFD for the print/post room. The lease contract excludes paper but includes toner and maintenance (based on 20% colour printing for the MFDs). The average number of copies/prints per month is assumed to be 500,000. The figure allows for the capital write-off over five years of a proximity card printing system which enhances security/ confidentiality as well as reducing the number of wasted print outs. Excessive paper and printing should be discouraged wherever possible and be part of a green paper/document policy which is communicated to all staff.	As for new building.

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MANAGEMENT

ITEM	NEW 2019 BUILDING	20 YEAR-OLD BUILDING
Management	Total annual costs of associated fees and management of real estate and FM. Including annualised acquisition/disposal costs, stamp duty and rent review fees in the fifth year. Assume a dedicated on site Building/FM manager with responsibility for the management and procurement of all cost heads listed above.	As for new building.