



## Why we wrote this guide

Serviced offices are sometimes portrayed as an established or a successful man's game but in truth can be the solution to not just save time but also money. With the many enquiries we get every week a lot of questions are about what options are available and what is the most suitable serviced office solution for a specific business.

We wrote this guide not only to answer questions for our potential customers but also to give advice to all those who may feel out of their depth when it comes to looking for office space!

## Who are we?

Carrwood Park is a provider of Serviced Offices in Leeds. We have been in operation for seven years. We work with businesses ranging from SMEs to larger corporations and start-ups, to well established companies needing offices and meeting rooms.



## Where does your money go?

One of the most crucial things when renting office space is understanding all the areas that you and your team will need and where the money goes once you're in.

We visually demonstrate the areas and percentages of where your money will be spent in a traditionally leased property. Envisaging the financial demands of certain areas can allow you to plan and get a better idea of the success renting business property will provide.

## Types of Office Space

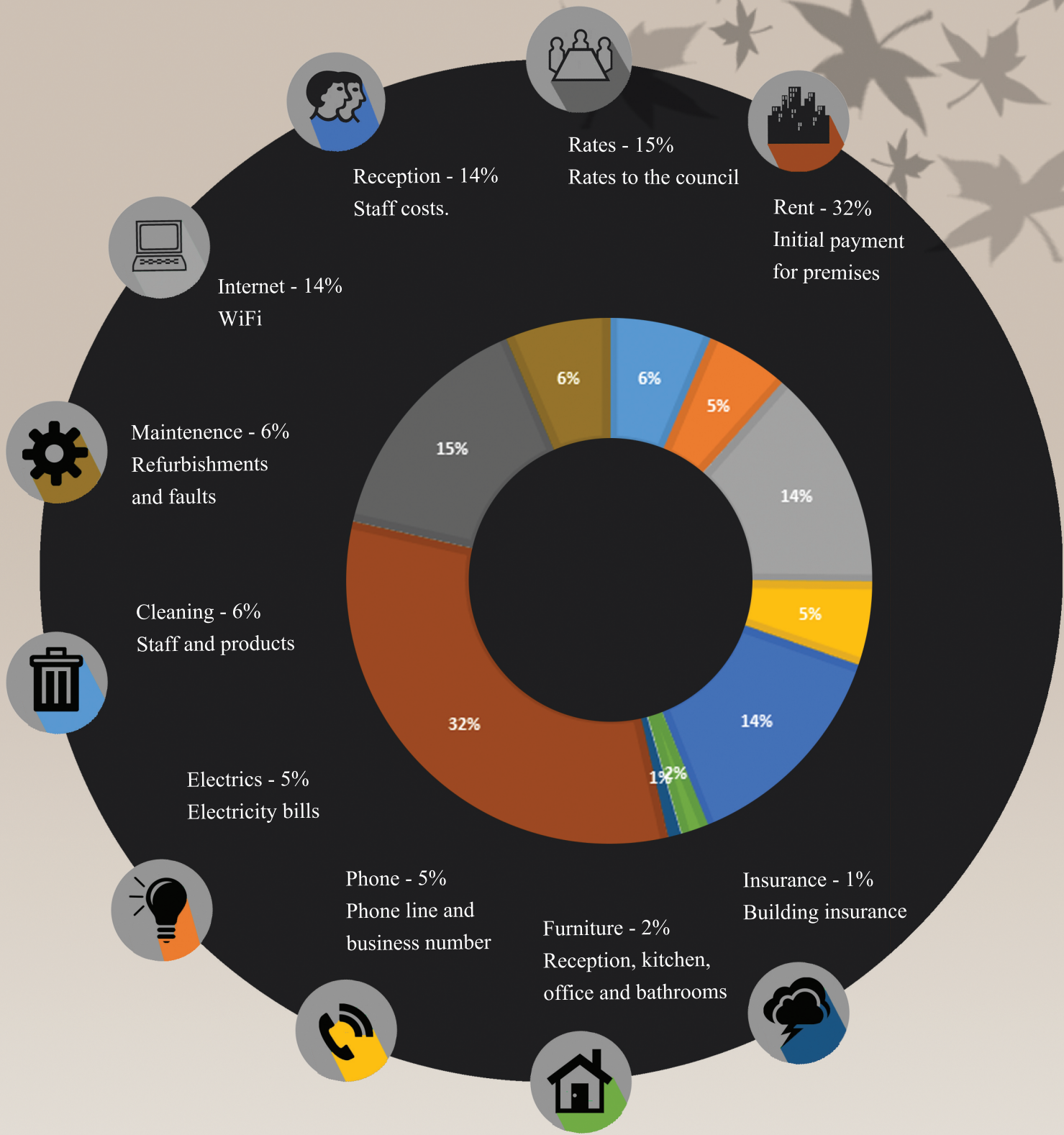
We begin with the most fundamental question: What is available and what kind of office space is most suitable to your business?

Leased, managed and serviced offices will enable your business to get certain facilities and features depending on which contract you sign.

Carrwood Park also highlights the pros and cons of different types of office space in relation to a specific type of business. We go through the different grades of office space and what to look out for.

## Comparing Traditional and Serviced Offices

We compare the specs of traditional and serviced offices and what benefits you can gain from each different option.



## 1. The Cost of Office Space

One of the most important things to consider when renting an office is obviously the price. We have broken down the costs of where your money will go. On the next page we'll examine the different facilities provided with different office options.

The initial rental costs of serviced offices amazingly only cover 32% of the costs for a typical leased office.

## 2. Types of Office Space

There are various options of the type of office space available and the level of service or support you will receive from your letting agent or building management company. The quality of office space and level of service required should, in part, be determined by the kind of staff you wish to house there, as well as the size, manpower, funds available and future plans of your business

### Coventional/leased Office Space

Lease, set-up, servicing and staffing is the responsibility of the individual business.

#### PROS

- Quality and image is completely directed by leased company.
- Lower initial rental.

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#### CONS

- Often 5-25 year contracts.
- Housekeeping, cleaner and receptionist management and general responsibility to manage.
- Unforeseen costs of running the office.
- Large initial set-up costs
- Limits growth of business to space available.

### Managed Office Space

The building management company is responsible for maintaining the building, while the internal fitting, cleaning and maintenance of services is the responsibility of the business owner.

#### PROS

- Quality and image is directed by the company.
- Quality and image is completely directed by leased company.
- Lower initial rental.

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#### CONS

- Less informal and communal space.
- Large initial set up costs.

### Serviced Office Space

With serviced office space the lease, set-up, servicing and staffing is the responsibility of the building management.

#### PROS

- Quality and image is immediately visible and managed to that standard.
- No maintenance staff management.
- No unexpected costs or bills.
- More flexible contracts.
- Better facilities.
- No initial set-up costs.

#### CONS

- Image of the office is determined and managed by the management company.
- Can initially seem more expensive.
- Depending on your company size, you may have to share kitchen and bathroom facilities.



## Micro-entities (up to 10 employees)



**Co-working** can be a great place to start out or branch into when expanding or when you have taken on contract work. Co-working spaces create ultimate flexibility and provide great deals for small companies.

**Managed Offices** take away the ongoing maintenance costs of traditional leased office space. You should however be aware that the initial cost may be fairly expensive.

**Serviced Offices** offer the flexibility and cost-effectiveness of office space without burdening businesses with massive overheads and set-up costs. Desirable business centres also provide start-ups with a prestigious address, access to top-notch facilities and the ability to really 'wow' their clients when they visit.



## (up to 50 employees) SMEs Business

For nomad, sales workers or individuals, **co-working** is a good way to have a base in a professional environment. Co-working is very affordable and, without any geographical constraints, can enable your business to employ the best talent from all over the world.

**Managed offices** can give you the longer term solution you are looking for, providing you with the flexibility to expand or contract as your workload changes.



## Medium to Large



As a medium or large company, you have a lot more workspace options available. **Co-working** again is a great way to provide workers who work abroad and away from the office a professional base. As facilities are provided and space can be required whenever needed, co-working is a great way to expand temporarily.

**Leased offices** enable you to add personality into your office and manage it how you want it.

**Managed offices** enable you to have the practicality of a leased office and don't require ongoing management of the building.

**Serviced Offices** enable corporations to expand their operations nationwide as well as outsourcing time consuming facilities and maintenance staff management.



## Communal Working

Shared office space or co-working allows you to simply turn up with your laptop, choose a desk and switch on to take advantage of WiFi facilities in a shared office environment.

For more information on communal working check out *Carrwood Parks, Ultimate guide to co-working*.

## Virtual Offices

A virtual office package can include services such as postal address and mail collection, landline and voicemail, use of communal spaces and discounts on meeting rooms designed to give a small company a professional image.

# Office Space Quality and Grade

1. Quality - the quality of your office space affects staff retention and the productivity both of your staff and uptime of services.

- The level of service offered
- The grade of the building
- The amount of infrastructure provided
- How well maintained the offices are
- The quality of the décor

**1. Grade A Office Space** – This refers to brand new office space (new build), which should contain: air conditioning; raised access floors so all cables can go underneath, suspended ceilings, piping ventilation, separate male/female and disabled toilets on every floor, and a good Energy Performance Certificate (EPC) rating.

**2. Grade A Refurbished Office Space** – These offices can be finished to just as high a standard as Grade A offices, and still need to meet all the above requirements. The only difference is that they are refurbished rather than new build.

**3. Grade B Office Space** – This refers to everything below the standard of Grade A and Grade A refurbished buildings. There are some excellent examples of Grade B offices, where the level of finish and the service offered are just as high quality as Grade A, but may have, for example, radiator heating or no air conditioning. Due to the large differences in quality, you can pay between £8 and £20 per square foot for Grade B office space around Leeds.

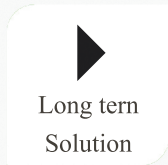
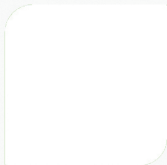
**4. Grade C and Warehousing** – While not recognised by the RICS as an official category of office space, the term 'Grade C' is often informally used to describe office space that falls below a good Grade B standard. Warehousing is the cheapest office space option. Grade C and warehousing are most often chosen for call centres and offices where a large amount of space is required for storage of stock or housing of machinery.





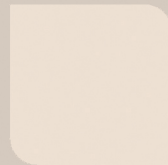
## Traditional Leased Offices

The rent on a leased office is lower than serviced office space, the leasing company takes on responsibility for the building running and maintenance.



## Serviced Offices

Serviced offices provide a highly flexible and adaptable range office solution to businesses of all sizes.



### Cost

Initial Costs can include:

- Lease purchase price
- Legal fees as well as possibly the legal fees of the landlord
- Survey of property
- Stamp Duty Land Tax
- Land registry fees
- Security Deposit
- The first period's rent.
- Furniture and image.



Ongoing Costs can include:

- Service Charge
- Building insurance
- Utilities and general running costs.



### Cost

Without having to spend time and resources arranging Wi-Fi, phone connections, furniture, meeting rooms and other essential office facilities up-front, serviced offices provide virtually everything your business will require from day one.

Another advantage of serviced Offices is that you will only have one monthly bill.

5  
-10

Year Lease



6

Month Lease

6-9  
months  
average set up  
and move in.



Fully  
operational  
from day  
available.

Need  
to employ  
receptionist and  
Facilities manager



Business  
centre team al-  
ready in provided  
and managed.

Contracts  
with third party  
suppliers. (IT,  
utilities, catering,  
repairs)



High quality  
facilities installed  
and available.

Set up  
costs for fit-out  
and furnishing



Fully  
furnished with air  
conditioning and  
security.

Insurance cost.  
High dilapidation  
costs at the end  
of lease.



Insurance includ-  
ed and minimal  
costs at end of  
lease.

The main difference between serviced offices and conventional offices is the way they are used.

Being short term and flexible, renting a serviced office does not require the long-term commitment traditional offices with their longer leases require.

Another reason serviced offices can be preferable to traditional office settings is the fact they can be configured to suit your own personal requirements.

Here at Carrwood Park we recognise and appreciate that businesses are constantly changing. This is particularly true in the digital age when, due to advancements in technology and communications, the world around us continues to change at lightening speeds.

Leases are great for large, established companies, looking for a long term base in an aim to expand their brand.



# What is Included in your Serviced Office

This is when serviced office spaces can be the ideal solution. A serviced office offers a turnkey solution to businesses of all sizes. Being fully-furnished and with managed phones and internet packages at every desk, serviced offices provide a cost-effective 'plug and play' solution.



A fully furnished space

- . Managed phones and internet packages to all desks
- . Inclusive parking per desk and free guest parking
- . 24-hour/365 day's access
- . 24 hour security with locked gates and CCTV cameras. Card access and key locks on all internal doors
- . Staffed reception from Mon – Fri. 'Out of hours' additional staff can be arranged
- Cleaning staff and maintenance contractors included.
- . Open-plan meeting areas
- . On-site scanning, printing and copying facilities
- 100mg WiFi
- . Buildings insurance and maintenance
- . Stocked kitchen
- . Self-controllable air conditioning
- Fire extinguishers and fire alarm testing

## Conclusion

Whether you're a start-up, established company or freelancer, you'll undoubtedly be working to a budget. Spending less for well-facilitated office space is therefore desirable. Without the trials and tribulations of traditional commercial property letting, moving your business into a serviced office can be a cost-effective solution. In fact, according to statistics, businesses can save between 30% and 78% using a serviced office as opposed to traditionally-leased office space.



## Carrwood Park

We hope you enjoyed our open book guide to serviced offices and it has answered any questions or uncertainties you may have had about what exactly is included in this modern working environment.

This guide was brought to you by Carrwood Park. Get in touch to talk to us about our serviced offices availability.

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