



OFFICE REFURBISHMENT CHECKLIST

Your step by step guide to ensuring your office refurbishment goes without a hitch



CHECKLIST :

Managing a refurbishment in occupation

The refurbishment of your office is likely to be one of the biggest expenses in the history of your business. So it's vital to get it right first time.

If you've been tasked with creating a brand new space for your company, you're probably wondering where to start. And if that's not enough, it's pretty daunting knowing it'll all take place under the watchful gaze of your company's board of directors and all of your colleagues.

But by taking it step by step, and breaking everything down into easily manageable stages, your project will run smoothly and will be an enjoyable process.

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Think about WHY you are refurbishing

Identifying the reasons for refurbishing your office space are critical in ensuring that the finished result meets all of your company's needs. For instance, if you're running out of storage space, designing an office with insufficient storage capacity is the last thing you want to do.

If you think about the 'why' early on, you're well prepared to identify the 'what' when you come to writing up your brief and discussing your new space with your chosen office refurbishment partner.

What reason or reasons does your company have for refurbishing?

Expansion

- Recent mergers or acquisitions can mean more people moving into an already packed space. A refurbishment allows you to reorganise your space to maximise its potential.

Contraction / reorganisation

- In the current financial climate every company has had to make concessions. Unfortunately this may have included a reduction of staff numbers, and empty seats do little for staff morale. Make the most of your space by introducing new facilities and creating a pleasant working environment.

New or upgraded facilities

- Is your boardroom looking dated? Would you like to provide your staff with an area in which they can take a break? Consider the existing layout and facilities in your office, and how you can add to and improve them.

Morale & productivity

- Employees spend at least 8 hours a day in the office. It's been proven that morale and productivity suffer in an uninspiring environment. A change of scenery could be just what's required to turn your workforce into a happy, productive team.

Legislation

- The Government are constantly bringing in new legislation, such as the Energy Performance of Buildings 2006 Directive and the CRC Energy Efficiency Scheme, that can result in fines for non-compliance. Use your office refurbishment to comply not only with existing rulings but to put you in good stead for compliance with future legislation.

Health & safety

- Nobody wants to work in an unsafe environment. Tired offices can also be hazardous, so avoid any unwanted legal action by tackling problem areas.

Environmental

- The environment is high on the agenda of many businesses these days. Use your refurbishment to send out a green message to your competitors and clients. Green issues are close to the hearts of many employees too, so attract and retain the best people by walking the walk and not just talking the talk.

Improve your image to clients & prospects

- Just as your people sell your business, so does your office. Think about what visitors to your office see on arrival: a tired and dated workplace for a tired and dated company or a fresh and vibrant office for a forward-looking business? Your office is a blank canvas, so use it to your advantage.

REFURBISHMENT TIP:

Think about how your business is likely to change over the next 5 years and plan for that now. Whilst your workplace needs to reflect your current business values it must be able to adapt to any future changes that might be around the corner.

Ensure those WHO should be involved are involved

CHOOSE YOUR CHAMPION

Although it's a daunting task for one individual, having a single champion for the refurbishment is the best way to ensure things stay on track and don't suffer from "too many cooks" syndrome.

Who has what it takes to keep all the necessary balls in the air?

- Senior enough to make decisions
- Experienced at multitasking
- Skilled motivator
- Knows your business inside-out
- Great communicator
- Highly organised
- Good at sticking to a budget

KNOW WHO TO INVOLVE AND WHEN

There are certain people who should be involved in the decision making process. Make sure you know who to talk to when the decisions need to be made.

- Managing Director
 - Your Managing Director holds the ultimate say-so over the approval of designs and costs. But whilst you need to be wary of approving anything he or she hasn't seen, they won't appreciate being informed about every little detail.
- Financial Director
 - As the person who sets the budget, your Financial Director has a lot of influence.
- Facilities Director
 - Your Facilities Director knows the ins and outs of your building, and will already have built up a relationship with your landlord. Make sure he or she is involved in any negotiations that affect your lease.
- Office Manager
 - The Office Manager hears the gripes and grumbles of staff on a day-to-day basis. They'll have valuable input as to where changes need to be made.

- IT Director
- If you're intending to make changes to your IT infrastructure, you'll need to have your IT Director on side. He or she will be able to help identify what needs upgrading, replacing or keeping, and where to find the best deals.
- Operations Director
- Your Operations Director is going to want reassurance that business won't be disrupted during the refurbishment works. Keep him or her in the loop so any issues can be managed before they impact your business.
- Marketing
- It's the job of your Marketing department to ensure that your company projects the right image, and they'll no doubt have input into how branding can be incorporated into the new design.
- Human Resources
- The basic aim of your HR department is to ensure the wellbeing of everybody affected by the refurbishment. Make sure they know that consideration of staff welfare is top of your list.
- PAs
- The PAs and administration staff probably know more about what's going on in your business than anybody else. Don't leave this valuable resource untapped.

ENGAGE AND COMMUNICATE WITH YOUR STAKEHOLDERS

In some instances, involving your staff is the law. The Information & Consultation of Employees Regulations 2004 state that any changes directly affecting staff should be discussed with them.

And at the same time it's just good manners to make sure that everybody is kept informed.

Have you identified your stakeholders?

- Unions
- Regulators
- Parent Company
- Board members
- Department heads
- Staff

Think of innovative ways to get everybody involved and create buy-in for the move

- Use technology to your advantage
- An online forum or Extranet is a great way of letting your stakeholders voice their opinions, and provides an ideal place to host files and plans
- Hold workshops to present design ideas to staff and get their feedback

Make the most of having your site on your doorstep

- Take key stakeholders and staff on regular site visits

Create a newsletter for staff, to keep them up-to-date with refurbishment progress and inform them of key dates

TALK TO YOUR LANDLORD

Any changes you make to the property are going to need the consent and buy-in of your landlord. Involve your landlord early on so he or she is fully aware of what the works will entail.

Obtain a License to Alter

- Make sure your landlord understands exactly what changes you're planning to make so that a detailed License to Alter can be drawn up. A commercial property agent or your appointed design & refurbishment partner can help you translate this legal document to ensure every element is covered.

Renegotiate lease terms

- Your landlord views your office as an investment. Therefore it's likely that he or she will look favourably on any alterations you want to make that will add value. Use this to your advantage in renegotiating your lease terms or extending your lease.

Ask about landlord contributions

- Often the landlord will contribute to your refurbishment costs as an incentive for you to stay in your current space.

Review Dilapidations clauses

- If you're making considerable changes to the infrastructure of the space (installing cellular offices, removing walls), renegotiate the Dilapidations clauses in the terms of your lease to ensure that your business does not incur massive costs later on.

REFURBISHMENT TIP:

Ask your landlord if there are any major changes or upgrades planned to the building that might affect the works you're planning to do.

CHOOSE A REPUTABLE OFFICE DESIGN & REFURBISHMENT COMPANY¹

The biggest expense in your project will be the design and actual refurbishment. Therefore make sure to engage with a reputable office design and refurbishment consultancy during the early stages, as their advice will be invaluable.

A good office refurbishment partner will be able to help you identify your needs by carrying out surveys, space audits and feasibility studies. So if storage has always been an issue, they'll have the experience to tell you how to make the best out of your existing space. They can also come up with cost estimates and help you visualise your new space, so there are no nasty surprises later on.

¹ For more information please see our checklist *Choosing the right office design and fit out partner* at <http://www.morganlovell.co.uk/useful-info/checklists/office-fit-out-checklist/>

Finally, ensure you hire a partner that offers a full 'turnkey' solution to save you time, money and the hassle of managing multiple contractors.

Ask the following questions to determine if your partner provides the best level of service:

Do they offer:

- Project management of your whole project, via one point of contact?
- Space audits and feasibility studies to calculate your space needs?
- Full cost estimates?
- Space planning?
- Interior design?
- Fit out and construction?
- Furniture selection and procurement?
- Mechanical & electrical design and installation?
- Air conditioning, heating and ventilation?
- Plumbing?
- Planning permission and landlord negotiations?
- Health & safety?
- IT and telephony cabling, moving & installation?

Do they have knowledge of the Disabilities Discrimination Act to ensure your office will comply?

Can they help you define your requirements and put together your brief?

Do they have experience of refurbishment in occupation, including:

- Allocation of decant or 'swing' space while works are taking place?
- Advice on what can be put into storage during works?
- Disassembly and assembly of furniture?

Are they willing to provide quality references of previous refurbishments? And will they arrange for you to visit other offices they've done?

Do they work to a fixed budget?

Do they offer good value for money?

Will they guarantee on-time completion?

Are they financially stable?²

2 For more information please see our *Financial Stability Checklist* at <http://www.morganlovell.co.uk/useful-info/checklists/financial-stability-checklist/>

REFURBISHMENT TIP:

Many small office design and build firms will fund the project through your deposit, so check the total cost as a % of their annual turnover. Too high, and your refurbishment could be at risk, leaving you with a building site for an office.

Do they have the backing of a parent company or the purchasing power / partnerships to negotiate special deals?

Do they have their own health & safety experts?

BEWARE OF ON THE CLOCK H&S

Health & safety is a huge issue when doing a refurbishment in occupation. If someone gets hurt, one of your staff or even an employee of the contractor, your directors are liable. Choose a design and build company that has their health & safety team in house. Otherwise they'll have to subcontract H&S and the safety of your site will be 'on the clock'.

Are they environmentally conscious? Can they design and build a sustainable office for you?

Do they have the necessary insurance cover in place (with evidence)?

Does their team inspire your confidence and trust?

Work out HOW MUCH you can spend and where you can make savings

BUDGET FOR CHANGE

The cost of refurbishment is likely to be one of the biggest single outlays your business will ever make, so it's imperative to set a realistic budget. All reputable suppliers will provide full cost estimates free of charge, so you can communicate the real financial impact of the refurbishment to the rest of your business.

Beware of those surprising hidden costs! Get quotes for everything, and then draw up your budget. Remember to include:

Changes in your occupancy costs, particularly energy bills and maintenance costs

Transaction fees for agents and lawyers

- Remember that any costs incurred by the landlord in drawing up a License to Alter will have to be met by your business

Planning permission fees

Insurance costs

Fire plan assessments

Design and fit out costs

Environmental assessments

IT and telecoms

- If you're using the opportunity to purchase new equipment, make sure this is included in the budget, along with any associated disposal costs. And take into account the moving of cabling and equipment during and after the works.

Furniture

- Along with the purchase, delivery and installation of new furniture, budget for the removal of any old furniture. Some charities will collect your furniture free of charge, and check out local office surplus companies who might be willing to take it off your hands.

Waste

- You'll probably find a lot of clutter and paperwork that isn't needed anymore. Look into recycling where possible, but be prepared to pay for rubbish to be removed.

Security

- Your office is about to become a building site, meaning it will be hard to keep track of the comings and goings of staff and contractors. And because your office will be occupied during the refurbishment there'll be plenty of works done out of hours. Make sure you have sufficient security in place.

Temporary storage during the refurbishment

Contingency costs

- Budget for contingencies. Then include contingencies for your contingencies. It's not unusual to budget an additional 20% for unforeseen changes and extras.

Dilapidation costs

- Be aware that any alterations you make could impact on the cost of dilapidations at the end of your lease.

Mechanical and electrical

- Upgrading the air conditioning, heating and ventilation systems could use up a large percentage of your budget. Discuss possible contributions with your landlord.

Energy performance

- Part L of the Building Regulations refers to conservation of fuel and power. Introduced in 2006, the regulations set high standards for the refurbishment of buildings. These include new requirements for energy performance ratings including the setting of maximum CO₂ limits.
- The CRC (Carbon Reduction Commitment) Energy Efficiency Scheme is a new regulatory regime that is intended to encourage large, non-energy intensive businesses to improve their energy efficiency and reduce their carbon emissions.

REFURBISHMENT TIP:

Go design and build. A JCT contract puts the onus on the contractor to complete the works on time and on budget. A multi-contractor approach means the responsibility lies with you.

TAX CONSIDERATIONS

You're spending enough money for there to be plenty of opportunities for tax breaks.

Talk to an expert.

- Look into leasing options for the design & fit out works
- Make the most of your Capital Allowances
- Ask about Enhanced Capital Allowances for energy efficient or 'green' equipment and products
- Look into 0% business loans (if you're an SME) from The Carbon Trust³, where your anticipated savings in energy costs fund the loan repayments

ENSURE YOU'RE INSURED

Check that you, and your chosen office refurbishment partner, have all the necessary insurance cover in place, particularly:

- Public Liability insurance
- Professional Indemnity insurance
- Contractors' 'All Risks' insurance

Decide WHEN is the best time to carry out works

MINIMISE DISRUPTION

Your office design and refurbishment partner should have experience of carrying out works where 'business as usual' was paramount.

- Discuss how much work can be done during office hours and what needs to be done out of hours
- Ask for case studies of similar refurbishment in occupation projects where weekend and evening work was carried out
- Talk to your partner about what other measures they put in place to minimise disruption, such as only disconnecting power & HVAC services out of office hours

3 Details of The Carbon Trust's interest-free business loans and how to apply can be found on their website <http://www.carbontrust.co.uk/>

PLAN FOR SWING SPACE

Determining the layout of your new office isn't the only space planning required. You'll also need to plan where people will be sitting whilst works are in progress, and clarify what facilities (i.e. teapoints, toilets, etc) will be accessible.

- Talk to your design and build partner about previous work they've done and how swing space was managed
- Talk with other occupants in your building about access to their facilities if yours will be out of action for any length of time
- The departments who work closely together will still want to be physically close in the swing space. Plan well to ensure that everybody's needs are met
- Make sure staff know where they'll be moving well in advance - they're bound to have feedback

PREPARE IN ADVANCE

Carry out surveys well in advance to ensure that you order long lead-in items with sufficient time to build, deliver and install them.

- Heating, ventilation and air conditioning
- IT
- Furniture & storage
- Custom joinery
- Sustainable elements

REFURBISHMENT TIP:

The incremental costs of sustainability are minimal if it is planned well in advance. If going 'green' is an afterthought, it could be expensive.

SYNCHRONISE YOUR CALENDARS

Time is of the essence when decisions need to be made.

- When you work out your programme, factor in the holidays and commitments of your key stakeholders. Your managing director won't appreciate his holiday being interrupted because he needs to sign something by last Friday.

Determine WHERE you can make changes to existing space

Now's the time to make the most of your space. If you've spent months wishing desks were closer to the windows this is your opportunity to make it happen.

VISUALISE THE BLANK CANVAS

Don't let your imagination be confined by current physical restrictions – walls can be moved, or even removed.

- Ask your office design and refurbishment partner to help you visualise the empty space, before they draw up some indicative designs

CARRY OUT FEASIBILITY STUDIES AND STORAGE AUDITS

Evaluating your space and needs now through a well done feasibility study can save you thousands. It will not only help you determine how to accommodate your people, but will also help you plan for future growth. [A good office design consultancy should do this for you.](#)

How many people / workstations do you need to accommodate?

Work out growth rates for each department and compensate accordingly for changes in your space plan

Take a fresh look at how your teams and departments work together with a view to maximising efficiency and communication

What sort of rooms / spaces would you like?

Calculate current and future size, capacity and usage needs for:

- Reception areas
- Meeting rooms
- Executive offices
- Presentation suites
- Kitchen / tea points
- Break out spaces
- Comms room
- Copy areas
- Mail room
- Recycling points
- Toilets and showers
- Other, i.e. trading floor, library

EXAMINE YOUR LIGHTING, AIR CONDITIONING, HEATING AND VENTILATION SYSTEMS

It's quite likely your office refurbishment will involve stripping back to the building's bare bones, so it's an ideal time to examine what you can change in your lighting and heating, ventilation and air conditioning (HVAC) systems.

If you share services with other companies in your building, then there's very little you can change from a HVAC point of view. Although you should make sure you're getting your fair share of cool air.

- Look into how improving your lighting and HVAC systems can contribute to an environmental rating such as BREEAM®⁴
- Make the most of natural light, but ensure solar gain is taken into account when assessing HVAC requirements
- Compliance with the latest CIBS Regulations can contribute to attaining a BREEAM 'excellent' rating and also bring your refurbishment into line with the requirements of Part L(2a) of the Building Regulations
- Install a lighting control system that allows zoning, presence / absence detection and daylight linking
- If your HVAC is not building-wide, consider an EMS (Energy Management System) to make your office more energy efficient by controlling when and where heating and ventilation is distributed
- Plan to install wireless sub-metering to monitor your new heating and ventilation equipment. That way, you can ensure it's all working properly from the beginning
- If you're renegotiating your lease, it's a good time to review the Energy Performance Certificate (EPC) for your building. Your landlord must produce one by law.

Discuss HOW to make sure works proceed safely and with minimum disruption

GUARANTEE HEALTH & SAFETY

You are responsible for health & safety on your site, even if you have hired contractors. If you are carrying out an office refurbishment in occupation, it is even more crucial because your staff will be working near a building site. Therefore it's important that you work with companies with excellent health & safety credentials and procedures.

- Ask your appointed fit out contractor to provide you with health & safety advice
- Consider what arrangements you'd like contractors coming onto your premises to comply with:
 - Parking
 - Access
 - Use of welfare

⁴ BREEAM® - The Building Research Establishment's Environmental Assessment Method

Appoint a CDM⁵ Coordinator and a Principal Contractor if the project is notifiable

REFURBISHMENT TIP:

Hire a contractor with an in-house health and safety team. Some sub-contract, putting health and safety 'on-the-clock' and do as little as possible.

INCORPORATE SAFETY IN DESIGN

Take into account any phasing of work during the design stage to ensure that different areas of the office can be completed separately.

Your office design and refurbishment partner's designers should be fully aware of their obligations under the CDM Regulations, and should alert you to any risks to health and safety associated with their designs.

MANAGE YOUR MOVE

Whether you're moving out of your office temporarily whilst works are being carried out or occupying decant space if works are phased, you'll need to manage the movement of people and equipment.

Your office design and refurbishment partner will be able to advise if refurbishment in occupation is the ideal route for your business

Talk to your IT department, and get expert advice if required

Put someone in charge of managing the packing and declutter process

- This is the perfect chance to dispose of unnecessary clutter in your workplace. Ensure you have sufficient waste and recycling facilities in place

Make arrangements with your removals company (even if your business is remaining in occupation during the works, there'll be times when you'll have to pack up as swing space is reallocated)

Arrange crates and labels for packing up

Put into place arrangements for temporary storage off-site, both long term (during the works) and short term (over the weekend)

5 The Construction (Design and Management) Regulations 2007

Choose WHAT you want and work out WHAT you need in the new space

DESIGN

Once you've got indicative designs, it's time to:

- Produce a full layout (including desks, meeting rooms, kitchens, comms room, IT and M&E)
- Put together some mood boards, to find the look and feel that's right for your business
- Involve your marketing team in agreeing on a colour scheme that reflects your brand and identity
- Ensure that your designs are compliant with all regulations, particularly
 - The DDA
 - The Workplace (Health, Safety and Welfare) Regulations 1992
 - The CRC Energy Efficiency Scheme
- Arrange 3D walkthroughs, to help you visualise the final result
- Look for ways of maximising sustainability and energy efficiency

REFURBISHMENT TIP:

Work your space plan around the existing M&E. Moving air-handling units can be costly, so plan your offices, people and meeting rooms around what's already there.

GOING GREEN⁶

Sustainability isn't just reserved for new offices. There's plenty you can do within an existing space to make it more environmentally friendly.

Talk to your office design and refurbishment partner. They should be able to advise you on what's possible.

- Think about aiming for a BREEAM® or other environmental rating
- Make energy efficiency a key requirement of replacement lighting, heating or ventilation systems
- Install a wireless sub-metering system to closely monitor energy use
- Look at desktop energy reduction technology to save energy used by computers and peripherals
- Include recycling points in the design
- Maximise natural light through clever space planning and innovative daylight-capture systems

6 For a step-by-step guide to producing a sustainable office interior, see our *Sustainable Office Design Checklist* at www.morganlovell.com/sustainability_checklist

- Specify furniture, fixtures, fittings and flooring with a high content of recycled material
- Use paints low in VOCs⁷ and other toxins
- Only use FSC⁸ certified timber

FIND FURNITURE THAT FITS

Ergonomics and health and safety are strangely overshadowed by style and cost when it comes to furniture. First of all, take a long hard look at your existing furniture, as reuse may be the most cost effective option.

If you still need to purchase new furniture, then consider the following points to find the right furniture at the right price.

- Are you getting good quality for your money? The cheapest option isn't always the best in the long run.
- Would you be better off renting, rather than buying?
- Is everything covered by warranty?
- What will it cost to deliver and assemble?
- Will it be practical for everyday work? Are the chairs ergonomic?
- Will it work with your existing or new computers and other equipment?
- Do you have enough storage?

REFURBISHMENT TIP:

Make sure your design and build partner is large enough to have significant buying power with furniture manufacturers. Otherwise your furniture order could get delayed and your project completion could be compromised.

CALCULATE YOUR STORAGE NEEDS

You'll already have a fair idea if your current storage capacity is meeting your needs. Your office refurbishment is the opportune time to calculate your exact storage requirements, especially if storage is a major problem in the existing space.

Consider:

- Storage for
 - Individuals (in lockers or at desks)

⁷ Volatile Organic Compounds, emitted by many paints, glues, wirings, carpets and other materials, can be harmful over time.

⁸ The FSC (Forest Stewardship Council) promotes environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

- Documents
- Office supplies and equipment (storerooms)
- The basics – don't forget somewhere to put your coat

Items requiring secure storage or safes

What can be stored off site?

- Can you reduce the amount of space you need by moving off-site materials that are used infrequently or kept for legal reasons? Long term this could prove the most space efficient, and cost effective, option.

Future needs for all of the above

TAKE STOCK OF TECHNOLOGY

Assess whether your existing IT and telephony systems effectively support your business or if it's time to upgrade them.

Some things you need to consider:

Power points

Floor boxes and data points

Location of printers

REFURBISHMENT TIP:

Take this opportunity to reduce the number of printers through clever space planning. It will save you money, reduce your energy bills and get rid of the extra hassle of maintaining loads of printers.

Comms room / cabinets

Cabling

Backup generator

Servers

Service and support

Wireless sub-metering for your energy use

IT management and coordination – who'll make sure it all works?

COMPLY WITH THE DDA

The law requires you to consider the needs of current and future employees.

- Carry out an access audit to ensure that you address any current issues
- Consider the requirements of the DDA when designing your new space

Keep your cool WHILE works are on site

WORK ON SITE

- Ensure environmental compliance
- Separate waste, and recycle any plasterboard, carpet and other materials being stripped out

REFURBISHMENT TIP:

The law requires you to keep a record of any waste that leaves the site and ensure that all your contractors dispose of waste properly. Make sure your design and fit out partner has excellent environmental credentials.

- Follow the proper procedures to dispose of hazardous materials
- Run weekly site meetings
- Have a sign off procedure in place for any changes
- Take photos of the work at every stage to record defects
- De-snag as you go to save time later on and minimise disruption when everybody has moved in
- Keep staff informed of the key dates, so they know what's happening when

CELEBRATE SUCCESS

- Arrange a completion party for your staff and / or clients
- Take that long deserved holiday