

# ***The True Cost of the Flexible Office***

Comparing the total occupancy costs of conventional property acquisition methods  
with serviced office space in London and six regional UK cities

THE  
CHARTERED INSTITUTE OF  
PURCHASING & SUPPLY



## **Methodology:**

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The Chartered Institute of Purchasing & Supply (CIPS) set out to examine the total costs involved in occupying office space in a number of key city centre locations around the UK. Parameters included occupancy periods of between 1 - 36 months and space requirements for 1-60 people.

The question was asked, “How does the cost of a serviced office in a business centre compare with the costs involved in leasing conventional office space?”

Total occupancy costs researched included items such as rent, furniture, office equipment, cleaning and electricity (see Figs 5 and 6). All figures were researched locally in London (City & Central); Birmingham; Bristol; Edinburgh; Leeds; Manchester; Reading. Rental costs were provided by leading commercial property agents in each City, while serviced office costs were supplied by Regus.

The figures for a conventionally leased space were compiled with no knowledge of the equivalent figures for business centres, to ensure that the actual comparisons calculated were free of bias.

The research follows similar research conducted by CIPS in 1996, although at that time only two City locations, London and Birmingham were researched.

When calculating the cost of any equipment, e.g. furniture or photocopiers, the resale value at the end of the office lease period was also taken into account, so any purchase costs were offset against residual value at the end of the usage period. This ensured a totally fair comparison with the business centre figure. For each cost element in the conventional leased office scenario, the lowest price was used, consistent with the product/service specification in the business centre office.

## Key findings:

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The results of the new survey show conclusively that the fully inclusive nature of the serviced office can produce savings in virtually all scenarios, with a saving of up to an average of 78% (see Fig 1) being achieved over the total occupancy cost of conventional office space.

An indication of how much the commercial property market has changed during the past five years can be seen throughout this report. For instance, Figs 5 and 6 show that the total saving achieved by using serviced office space, when compared to the total occupancy cost of traditional office accommodation methods, are significant in all regions of the UK. In addition, overall savings achieved by the use of serviced office space are obtainable across all timescales and numbers of people to be occupied.

Obviously the savings made for smaller numbers of people, and for shorter time scales, are greater than for large numbers for long periods. This is largely due to the high cost of amortising capital expenditure items over short periods. The use of such equipment is generally provided free or on a cost-per-use basis in a business centre.

However, while the research shows that savings achieved using serviced office falls to a minimum average of 4% (see FIG 1), such a figure is likely to be from a total cost of several thousands of Pounds Sterling, and, as such, will still represent a very significant total saving indeed.

“Our research clearly demonstrates that serviced office space has now become a truly cost-effective option in all scenarios.” comments Carolyn Munton, CIPS’s director of marketing & communications. “Whereas five years ago our research revealed it was only really cost-effective in relatively low cost areas, such as Birmingham, or for short periods of time, this new research proves it can now achieve worthwhile long term savings too. What the research cannot put a value on, of course, is the additional flexibility provided by serviced offices compared with conventional space.”



## Percentage saving achieved using serviced office space

For: Average for 8 Centres

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	78%	78%	75%	66%	66%	67%	78%
5	61%	43%	33%	32%	39%	31%	34%
10	57%	40%	39%	37%	33%	36%	39%
15	52%	31%	20%	16%	13%	16%	18%
20	53%	29%	17%	15%	12%	13%	16%
40	51%	27%	15%	11%	7%	9%	11%
60	49%	24%	12%	8%	4%	6%	8%

Fig 1:

	Conventional office lease potentially more cost effective
	Fully serviced business centre office versus conventional office is comparable
	Fully serviced business centre option at least 10% better than a conventional office lease

## Cost Comparison – serviced offices vs conventional office costs

For: Average for 8 Centres

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	<i>1506/6755</i>	<i>913/4161</i>	<i>867/3522</i>	<i>780/3201</i>	<i>730/3028</i>	<i>685/2975</i>	<i>639/2922</i>
5	<i>1097/2833</i>	<i>913/1597</i>	<i>867/1293</i>	<i>780/1140</i>	<i>730/1025</i>	<i>685/999</i>	<i>639/975</i>
10	<i>1070/2462</i>	<i>823/1378</i>	<i>792/1110</i>	<i>712/976</i>	<i>667/870</i>	<i>625/847</i>	<i>583/824</i>
15	<i>1048/2174</i>	<i>823/1195</i>	<i>764/954</i>	<i>703/833</i>	<i>637/733</i>	<i>601/712</i>	<i>567/692</i>
20	<i>983/2074</i>	<i>811/1149</i>	<i>764/921</i>	<i>685/807</i>	<i>628/710</i>	<i>601/692</i>	<i>567/672</i>
40	<i>969/1959</i>	<i>783/1066</i>	<i>719/846</i>	<i>654/736</i>	<i>597/645</i>	<i>569/626</i>	<i>543/607</i>
60	<i>966/1879</i>	<i>783/1026</i>	<i>719/815</i>	<i>654/710</i>	<i>597/621</i>	<i>569/603</i>	<i>541/586</i>

Fig 2:

Key:

*Italicised figures are fully serviced business centre office costs, others are for conventional office leases, i.e. to provide 10 people with accommodation for 3 months would cost £823 per person per month at a serviced business centre or £1378 at a conventional office lease*

## OUTSOURCING THE OFFICE

category: sum of traditional categories

location: average of all locations

NO. OF PEOPLE TO BE ACCOM- MODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£6,755	£4,161	£3,522	£3,201	£3,028	£2,975	£2,922
5	£2,833	£1,597	£1,293	£1,140	£1,025	£999	£975
10	£2,462	£1,378	£1,110	£976	£870	£847	£824
15	£2,174	£1,195	£954	£833	£733	£712	£692
20	£2,074	£1,149	£921	£807	£710	£692	£672
40	£1,959	£1,066	£846	£736	£645	£626	£607
60	£1,879	£1,026	£815	£710	£621	£603	£586

Fig 3:

## OUTSOURCING THE OFFICE

category: Regus prices, Average of all locations

NO. OF PEOPLE TO BE ACCOM- MODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£1,506	£913	£867	£780	£730	£685	£639
5	£1,097	£913	£867	£780	£730	£685	£639
10	£1,070	£823	£792	£712	£667	£625	£583
15	£1,048	£823	£764	£703	£637	£601	£567
20	£983	£811	£764	£685	£628	£601	£567
40	£969	£783	£719	£654	£597	£569	£543
60	£966	£783	£719	£654	£597	£569	£541

Fig 4:

ITEM	1996	2001	% inc
Leasing	£99	£265	168%
Rates & Services	£84	£106	26%
Administration	£144	£155	7%
Furniture	£167	£165	-1%
Meeting Rooms	£82	£140	71%
Acquisition	£50	£58	16%
Cleaning	£18	£105	482%
Office Equipment	£33	£56	68%
Telephone	£39	£60	55%
Electricity	£13	£10	-20%
<b>TOTAL</b>	<b>£729</b>	<b>£1,120</b>	<b>54%</b>
<b>Serviced Office Cost</b>	<b>£338</b>	<b>£569</b>	<b>68%</b>
<b>£'s SAVING</b>	<b>£391</b>	<b>£551</b>	
<b>% SAVING</b>	<b>54%</b>	<b>49%</b>	

data is for Birmingham Central, £'s per person , per month  
actual for 5 people over 6 months

#### CONCLUSION

typically, serviced offices offer savings of  
£6,612 per person per year in 2001  
compared with £4,692 in 1996

ITEM	1996	2001	% inc
Leasing	£304	£657	116%
Rates & Services	£265	£221	-17%
Administration	£160	£240	50%
Furniture	£167	£165	-1%
Meeting Rooms	£75	£360	380%
Acquisition	£50	£58	16%
Cleaning	£34	£47	38%
Office Equipment	£33	£56	70%
Telephone	£39	£60	54%
Electricity	£13	£10	-23%
<b>TOTAL</b>	<b>£1,140</b>	<b>£1,874</b>	<b>64%</b>
<b>Serviced Office Cost</b>	<b>£896</b>	<b>£1,748</b>	<b>95%</b>
<b>£'s SAVING</b>	<b>£244</b>	<b>£126</b>	
<b>% SAVING</b>	<b>21%</b>	<b>7%</b>	

data is for London City, £'s per person , per month  
actual for 5 people over 6 months

#### CONCLUSION

typically, serviced offices offer savings of  
£1,512 per person per year in 2001  
compared with £2,928 in 1996



## Percentage Saving - For: Birmingham Central

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	91%	85%	82%	81%	82%	82%	83%
5	77%	59%	49%	44%	44%	46%	48%
10	73%	51%	41%	34%	34%	36%	39%
15	71%	46%	32%	24%	23%	25%	27%
20	70%	43%	29%	20%	19%	22%	24%
40	68%	39%	23%	14%	12%	14%	17%
60	66%	36%	19%	9%	7%	10%	12%

Fig 7:



Conventional office lease potentially more cost effective



Fully serviced business centre office versus conventional office is comparable



Fully serviced business centre option at least 10% better than a conventional office lease

## Cost Comparison - For: Birmingham Central

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	640/7068	599/3950	569/3180	539/2794	479/2620	449/2556	419/2492
5	640/2790	599/1450	569/1120	539/954	479/854	449/827	419/799
10	600/2231	570/1173	542/912	513/781	456/695	428/673	399/651
15	600/2093	570/1057	542/802	513/673	456/590	428/568	399/547
20	600/1970	570/1003	542/764	513/645	456/565	428/545	399/525
40	600/1857	570/935	542/708	513/594	456/518	428/500	399/481
60	600/1759	570/886	542/671	513/563	456/491	428/473	399/455

Fig 8:

Key:

*Italicised figures are fully serviced business centre office costs, others are for conventional office leases, i.e. to provide 10 people with accommodation for 3 months would cost £570 per person per month at a serviced business centre or £1173 at a conventional office lease*

## OUTSOURCING THE OFFICE

category: sum of traditional categories

location: Birmingham Central

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£7,068	£3,950	£3,181	£2,795	£2,621	£2,556	£2,492
5	£2,791	£1,450	£1,120	£954	£855	£827	£800
10	£2,232	£1,173	£912	£781	£695	£673	£652
15	£2,093	£1,057	£802	£674	£590	£569	£547
20	£1,970	£1,003	£765	£645	£566	£546	£526
40	£1,858	£936	£708	£594	£519	£500	£481
60	£1,760	£887	£672	£564	£491	£473	£455

Fig 9:

## OUTSOURCING THE OFFICE

category: Regus prices, Birmingham Central

NO. OF PEOPLE TO BE ACCOM- MODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£640	£599	£569	£539	£479	£449	£419
5	£640	£599	£569	£539	£479	£449	£419
10	£600	£570	£542	£513	£456	£428	£399
15	£600	£570	£542	£513	£456	£428	£399
20	£600	£570	£542	£513	£456	£428	£399
40	£600	£570	£542	£513	£456	£428	£399
60	£600	£570	£542	£513	£456	£428	£399

Fig 10:

## OUTSOURCING THE OFFICE

category: diy leasing (rental costs only)

location: Birmingham Central

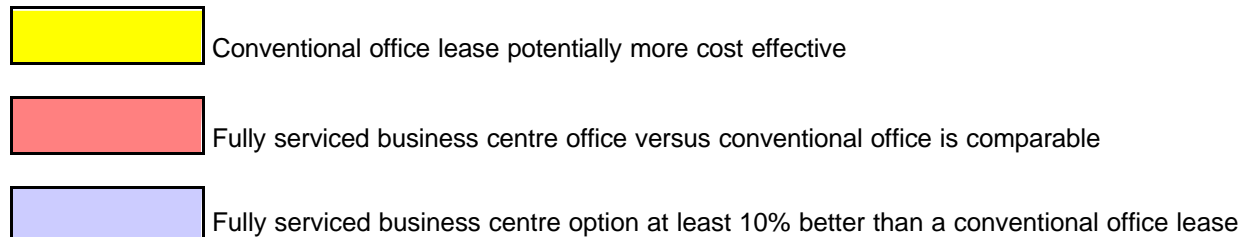
NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF SQUARE FEET TO BE NEEDED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
		1	3	6	12	18	24	36
1	110	£275	£275	£275	£275	£229	£229	£229
5	530	£265	£265	£265	£265	£221	£221	£221
10	1020	£255	£255	£255	£255	£213	£213	£213
15	1480	£247	£247	£247	£247	£206	£206	£206
20	1905	£238	£238	£238	£238	£198	£198	£198
40	3580	£224	£224	£224	£224	£186	£186	£186
60	5280	£220	£220	£220	£220	£183	£183	£183

Fig 11:

## Percentage Saving - For: Bristol Central

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	87%	87%	84%	83%	83%	84%	85%
5	81%	63%	53%	50%	48%	49%	51%
10	77%	56%	46%	43%	39%	41%	43%
15	75%	52%	38%	33%	28%	30%	31%
20	74%	49%	35%	30%	25%	27%	29%
40	72%	45%	29%	23%	16%	18%	20%
60	71%	42%	26%	20%	14%	16%	18%

Fig 12:



## Cost Comparison - For: Bristol Central

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	900/6863	505/3745	480/2975	429/2590	404/2423	379/2359	354/2294
5	500/2702	505/1361	480/1031	429/865	404/773	379/745	354/718
10	500/2162	481/1103	457/842	409/711	385/632	361/610	337/689
15	500/2029	481/993	457/738	409/610	385/533	361/512	337/490
20	500/1911	481/944	457/706	409/586	385/513	361/494	337/473
40	500/1792	481/870	457/643	409/528	385/459	361/440	337/421
60	500/1708	481/835	457/620	409/512	385/445	361/427	337/409

Fig 13:

Key:

*Italicised figures are fully serviced business centre office costs, others are for conventional office leases, i.e. to provide 10 people with accommodation for 3 months would cost £481 per person per month at a serviced business centre or £1103 at a conventional office lease*

<b>OUTSOURCING THE OFFICE</b>							
category: sum of traditional categories							
location: Bristol Central							
<b>NO. OF PEOPLE TO BE ACCOMMODATED</b>	<b>NO. OF MONTHS FOR WHICH FACILITY IS NEEDED</b>						
	<b>1</b>	<b>3</b>	<b>6</b>	<b>12</b>	<b>18</b>	<b>24</b>	<b>36</b>
<b>1</b>	£6,863	£3,746	£2,976	£2,590	£2,423	£2,359	£2,295
<b>5</b>	£2,702	£1,361	£1,031	£866	£773	£746	£718
<b>10</b>	£2,162	£1,103	£843	£712	£633	£611	£589
<b>15</b>	£2,030	£994	£739	£611	£533	£512	£491
<b>20</b>	£1,912	£945	£706	£587	£513	£494	£474
<b>40</b>	£1,792	£870	£643	£529	£460	£441	£422
<b>60</b>	£1,708	£835	£620	£512	£446	£428	£410

Fig 14:



## OUTSOURCING THE OFFICE

category: Regus prices, Bristol Central

NO. OF PEOPLE TO BE ACCOM- MODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
	1	£900	£505	£480	£429	£404	£379
5	£500	£505	£480	£429	£404	£379	£354
10	£500	£481	£457	£409	£385	£361	£337
15	£500	£481	£457	£409	£385	£361	£337
20	£500	£481	£457	£409	£385	£361	£337
40	£500	£481	£457	£409	£385	£361	£337
60	£500	£481	£457	£409	£385	£361	£337

Fig 16:

## OUTSOURCING THE OFFICE

category: diy leasing (rental costs only)

location: Bristol Central




NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF SQUARE FEET TO BE NEEDED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
		1	3	6	12	18	24	36
1	110	£231	£231	£231	£231	£193	£193	£193
5	530	£223	£223	£223	£223	£186	£186	£186
10	1020	£214	£214	£214	£214	£179	£179	£179
15	1480	£207	£207	£207	£207	£173	£173	£173
20	1905	£200	£200	£200	£200	£167	£167	£167
40	3580	£188	£188	£188	£188	£157	£157	£157
60	5280	£185	£185	£185	£185	£154	£154	£154

Fig 17:

## Percentage Saving - For: Edinburgh Central

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	82%	82%	79%	79%	79%	80%	81%
5	72%	53%	43%	41%	38%	40%	42%
10	65%	46%	35%	33%	29%	32%	34%
15	62%	40%	26%	23%	17%	20%	22%
20	60%	37%	23%	20%	14%	17%	20%
40	57%	31%	16%	11%	5%	7%	10%
60	55%	29%	13%	9%	2%	5%	8%

Fig 18:

-  Conventional office lease potentially more cost effective
-  Fully serviced business centre office versus conventional office is comparable
-  Fully serviced business centre option at least 10% better than a conventional office lease

## Cost Comparison - For: Edinburgh Central

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	1285/7164	714/4047	678/3277	607/2891	571/2710	353/2646	500/2581
5	815/2861	714/1520	678/1190	607/1024	571/918	353/890	500/863
10	815/2312	680/1252	646/992	578/861	544/768	510/746	476/725
15	815/2165	680/1129	646/874	578/745	544/655	510/634	476/612
20	815/2045	680/1078	646/840	578/720	544/634	510/614	476/594
40	815/1914	680/992	646/765	578/651	544/569	510/550	476/531
60	815/1827	680/954	646/740	578/632	544/553	510/535	476/517

Fig 19:

Key:

*Italicised figures are fully serviced business centre office costs, others are for conventional office leases, i.e. to provide 10 people with accommodation for 3 months would cost £680 per person per month at a serviced business centre or £1252 at a conventional office lease*

## OUTSOURCING THE OFFICE

category: sum of traditional categories

location: Edinburgh Central

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£7,165	£4,047	£3,277	£2,892	£2,710	£2,646	£2,582
5	£2,861	£1,520	£1,190	£1,025	£918	£891	£863
10	£2,312	£1,253	£992	£862	£769	£747	£725
15	£2,165	£1,129	£874	£746	£656	£634	£613
20	£2,046	£1,079	£840	£721	£635	£615	£595
40	£1,914	£992	£765	£651	£570	£551	£532
60	£1,828	£955	£740	£632	£554	£536	£518

Fig 20:

## OUTSOURCING THE OFFICE

category: Regus prices, Edinburgh Central

NO. OF PEOPLE TO BE ACCOM- MODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£1,285	£714	£678	£607	£571	£535	£500
5	£815	£714	£678	£607	£571	£535	£500
10	£815	£680	£646	£578	£544	£510	£476
15	£815	£680	£646	£578	£544	£510	£476
20	£815	£680	£646	£578	£544	£510	£476
40	£815	£680	£646	£578	£544	£510	£476
60	£815	£680	£646	£578	£544	£510	£476

Fig 21:

## OUTSOURCING THE OFFICE

category: diy leasing (rental costs only)

location: Edinburgh Central

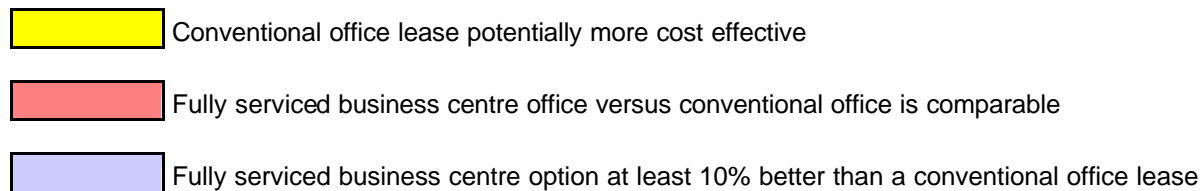
NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF SQUARE FEET TO BE NEEDED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
		1	3	6	12	18	24	36
1	110	£319	£319	£319	£319	£266	£266	£266
5	530	£307	£307	£307	£307	£256	£256	£256
10	1020	£296	£296	£296	£296	£247	£247	£247
15	1480	£286	£286	£286	£286	£238	£238	£238
20	1905	£276	£276	£276	£276	£230	£230	£230
40	3580	£260	£260	£260	£260	£216	£216	£216
60	5280	£255	£255	£255	£255	£213	£213	£213

Fig 22:

## Percentage Saving - For: Leeds Central

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	87%	87%	85%	84%	84%	85%	86%
5	75%	65%	57%	55%	51%	53%	54%
10	69%	60%	51%	49%	45%	47%	49%
15	68%	55%	44%	40%	34%	36%	38%
20	67%	54%	42%	39%	33%	35%	37%
40	66%	50%	38%	34%	27%	29%	31%
60	66%	48%	34%	30%	23%	25%	27%

Fig 23:





## Cost Comparison - For: Leeds Central

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	935/6978	494/3861	469/3091	420/2705	395/2514	370/2450	346/2386
5	704/2763	494/1422	469/1093	420/927	395/812	370/784	346/756
10	682/2234	470/1175	447/914	400/784	376/682	353/661	329/639
15	660/2091	470/1055	447/800	400/671	376/573	353/552	329/530
20	649/1978	470/1011	447/772	400/653	376/559	353/539	329/519
40	627/1869	470/947	447/720	400/606	376/517	353/498	329/479
60	606/1768	470/895	447/680	400/572	376/486	353/468	329/451

Fig 24:

Key:

*Italicised figures are fully serviced business centre office costs, others are for conventional office leases, i.e. to provide 10 people with accommodation for 3 months would cost £470 per person per month at a serviced business centre or £1175 at a conventional office lease*

## OUTSOURCING THE OFFICE

category: sum of traditional categories

location: Leeds Central

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£6,979	£3,861	£3,091	£2,706	£2,515	£2,451	£2,387
5	£2,764	£1,423	£1,093	£927	£812	£785	£757
10	£2,235	£1,175	£915	£784	£683	£661	£639
15	£2,091	£1,055	£800	£672	£574	£552	£531
20	£1,978	£1,011	£773	£653	£559	£540	£520
40	£1,870	£948	£720	£606	£518	£499	£480
60	£1,768	£895	£681	£573	£487	£469	£451

Fig 25:

## OUTSOURCING THE OFFICE

category: Regus prices, Leeds City

NO. OF PEOPLE TO BE ACCOM- MODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£935	£494	£469	£420	£395	£370	£346
5	£704	£494	£469	£420	£395	£370	£346
10	£682	£470	£447	£400	£376	£353	£329
15	£660	£470	£447	£400	£376	£353	£329
20	£649	£470	£447	£400	£376	£353	£329
40	£627	£470	£447	£400	£376	£353	£329
60	£605	£470	£447	£400	£376	£353	£329

Fig 26:

## OUTSOURCING THE OFFICE

category: diy leasing rental costs only  
location: Leeds Central

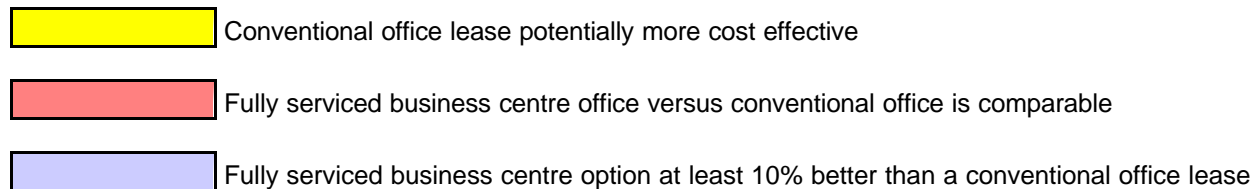
NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF SQUARE FEET TO BE NEEDED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
		1	3	6	12	18	24	36
1	110	£220	£220	£220	£220	£183	£183	£183
5	530	£212	£212	£212	£212	£177	£177	£177
10	1020	£204	£204	£204	£204	£170	£170	£170
15	1480	£197	£197	£197	£197	£164	£164	£164
20	1905	£191	£191	£191	£191	£159	£159	£159
40	3580	£179	£179	£179	£179	£149	£149	£149
60	5280	£176	£176	£176	£176	£147	£147	£147

Fig 27:

## Percentage Saving - For: London Central (Berkeley Sq)

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	63%	61%	68%	69%	69%	70%	62%
5	54%	24%	15%	16%	12%	16%	20%
10	50%	36%	14%	16%	12%	16%	20%
15	46%	17%	12%	13%	-3%	1%	6%
20	44%	14%	-1%	1%	1%	-1%	4%
40	39%	7%	7%	4%	3%	3%	3%
60	37%	3%	4%	1%	1%	1%	1%

Fig



**Cost Comparison -  
For: London Central (Berkeley Sq)**

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	3264/8809	1668/5691	1584/4921	1417/4535	1334/4288	1251/4244	1167/4159
5	1610/3524	1668/2183	1584/1853	1417/1687	1334/1517	1251/1490	1167/1462
10	1450/2922	1373/1862	1378/1602	1233/1471	1160/1317	1088/1295	1015/1273
15	1450/2694	1373/1658	1378/1403	1233/1275	1160/125	1088/1104	1015/1083
20	1450/2567	1373/1600	1378/1362	1233/1242	1088/1099	1088/1079	1015/1059
40	1450/2391	1373/1469	1160/1242	1088/1128	960/993	943/974	925/955
60	1450/2296	1373/1423	1160/1208	1088/1100	960/969	943/951	925/933

Key:

*Italicised figures are fully serviced business centre office costs, others are for conventional office leases, i.e. to provide 10 people with accommodation for 3 months would cost £1370 per person per month at a serviced business centre or £1862 at a conventional office lease*

## OUTSOURCING THE OFFICE

category: sum of traditional categories

location: London Central (Berkeley Sq)

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£8,809	£5,691	£4,921	£4,535	£4,288	£4,224	£4,159
5	£3,524	£2,183	£1,853	£1,687	£1,517	£1,490	£1,462
10	£2,922	£1,862	£1,602	£1,471	£1,317	£1,295	£1,273
15	£2,694	£1,658	£1,403	£1,275	£1,125	£1,104	£1,083
20	£2,567	£1,600	£1,362	£1,242	£1,099	£1,079	£1,059
40	£2,391	£1,469	£1,242	£1,128	£993	£974	£955
60	£2,296	£1,423	£1,208	£1,100	£969	£951	£933

Fig

## OUTSOURCING THE OFFICE

category: Regus prices, London Central (Berkeley Sq)

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£3,264	£1,668	£1,584	£1,417	£1,334	£1,251	£1,167
5	£1,610	£1,668	£1,584	£1,417	£1,334	£1,251	£1,167
10	£1,450	£1,373	£1,378	£1,233	£1,160	£1,088	£1,015
15	£1,450	£1,373	£1,378	£1,233	£1,160	£1,088	£1,015
20	£1,450	£1,373	£1,378	£1,233	£1,088	£1,088	£1,015
40	£1,450	£1,373	£1,160	£1,088	£960	£943	£925
60	£1,450	£1,373	£1,160	£1,088	£960	£943	£925

Fig



## OUTSOURCING THE OFFICE

category: diy leasing (rental costs only)  
location: London Central

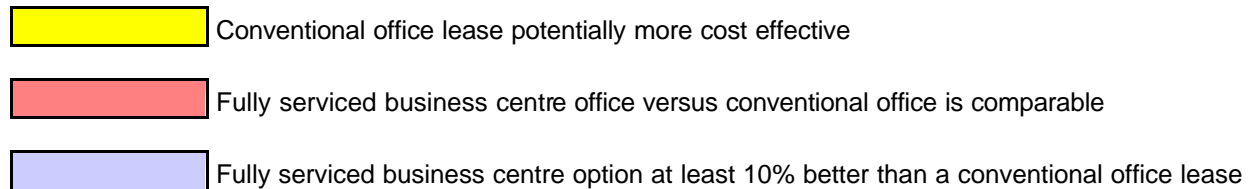
NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF SQUARE FEET TO BE NEEDED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
		1	3	6	12	18	24	36
1	110	£715	£715	£715	£715	£596	£596	£596
5	530	£689	£689	£689	£689	£574	£574	£574
10	1020	£663	£663	£663	£663	£552	£552	£552
15	1480	£641	£641	£641	£641	£534	£534	£534
20	1905	£619	£619	£619	£619	£516	£516	£516
40	3580	£582	£582	£582	£582	£485	£485	£485
60	5280	£572	£572	£572	£572	£477	£477	£477

Fig

## Percentage Saving - For: London City (Wood St)

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	72%	68%	65%	66%	66%	68%	69%
5	29%	17%	7%	8%	5%	9%	13%
10	13%	12%	3%	5%	0%	5%	10%
15	12%	2%	6%	-3%	6%	8%	7%
20	27%	4%	2%	5%	3%	4%	4%
40	22%	10%	3%	4%	3%	4%	3%
60	18%	7%	0%	0%	0%	1%	1%

Fig



**Cost Comparison -  
For: London City (Wood St)**

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	<i>2500/8830</i>	<i>1840/5712</i>	<i>1748/4942</i>	<i>1564/4556</i>	<i>1472/4314</i>	<i>1380/4250</i>	<i>1288/4186</i>
5	<i>2500/3545</i>	<i>1840/2204</i>	<i>1748/1874</i>	<i>1564/1708</i>	<i>1472/1544</i>	<i>1380/1516</i>	<i>1288/1488</i>
10	<i>2500/2886</i>	<i>1600/1827</i>	<i>1520/1566</i>	<i>1360/1435</i>	<i>1280/1286</i>	<i>1200/1265</i>	<i>1120/1243</i>
15	<i>2350/2676</i>	<i>1600/1640</i>	<i>1300/1385</i>	<i>1290/1257</i>	<i>1040/1112</i>	<i>1005/1091</i>	<i>990/1069</i>
20	<i>1840/2530</i>	<i>1500/1563</i>	<i>1300/1325</i>	<i>1150/1205</i>	<i>1040/1067</i>	<i>1005/1047</i>	<i>990/1027</i>
40	<i>1840/2347</i>	<i>1280/1425</i>	<i>1160/1198</i>	<i>1045/1083</i>	<i>920/953</i>	<i>900/934</i>	<i>885/915</i>
60	<i>1840/2245</i>	<i>1280/1373</i>	<i>1160/1158</i>	<i>1045/1050</i>	<i>920/923</i>	<i>900/905</i>	<i>875/887</i>

Fig

Key:

*Italicised figures are fully serviced business centre office costs, others are for conventional office leases, i.e. to provide 10 people with accommodation for 3 months would cost £1600 per person per month at a serviced business centre or £1827 at a conventional office lease*

## OUTSOURCING THE OFFICE

category: sum of traditional categories

location: London City (Wood St)

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£8,830	£5,712	£4,942	£4,556	£4,314	£4,250	£4,186
5	£3,545	£2,204	£1,874	£1,708	£1,544	£1,516	£1,488
10	£2,886	£1,827	£1,566	£1,435	£1,286	£1,265	£1,243
15	£2,676	£1,640	£1,385	£1,257	£1,112	£1,091	£1,069
20	£2,530	£1,563	£1,325	£1,205	£1,067	£1,047	£1,027
40	£2,347	£1,425	£1,198	£1,083	£953	£934	£915
60	£2,245	£1,373	£1,158	£1,050	£923	£905	£887

Fig

## OUTSOURCING THE OFFICE

category: Regus prices, City of London (Wood St)

NO. OF PEOPLE TO BE ACCOM- MODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£2,500	£1,840	£1,748	£1,564	£1,472	£1,380	£1,288
5	£2,500	£1,840	£1,748	£1,564	£1,472	£1,380	£1,288
10	£2,500	£1,600	£1,520	£1,360	£1,280	£1,200	£1,120
15	£2,350	£1,600	£1,300	£1,290	£1,040	£1,005	£990
20	£1,840	£1,500	£1,300	£1,150	£1,040	£1,005	£990
40	£1,840	£1,280	£1,160	£1,045	£920	£900	£885
60	£1,840	£1,280	£1,160	£1,045	£920	£900	£875

Fig

## OUTSOURCING THE OFFICE

category: diy leasing (rental costs only) location: London City								
NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF SQUARE FEET TO BE NEEDED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
		1	3	6	12	18	24	36
1	110	£682	£682	£682	£682	£568	£568	£568
5	530	£657	£657	£657	£657	£548	£548	£548
10	1020	£632	£632	£632	£632	£527	£527	£527
15	1480	£612	£612	£612	£612	£510	£510	£510
20	1905	£591	£591	£591	£591	£492	£492	£492
40	3580	£555	£555	£555	£555	£462	£462	£462
60	5280	£546	£546	£546	£546	£455	£455	£455

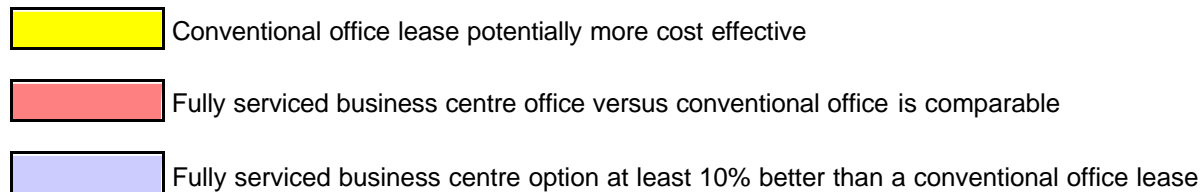
Fig

## Percentage Saving -

## For: Manchester Airport

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	85%	84%	82%	81%	81%	82%	83%
5	67%	55%	44%	41%	39%	40%	42%
10	59%	48%	36%	33%	30%	32%	34%
15	56%	42%	26%	20%	15%	17%	20%
20	54%	39%	23%	18%	13%	15%	18%
40	50%	34%	15%	9%	2%	5%	8%
60	48%	31%	12%	6%	-1%	2%	5%

Fig



## Cost Comparison - For: Manchester Airport

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	<i>1080/7097</i>	<i>624/3979</i>	<i>593/3209</i>	<i>531/2824</i>	<i>499/2660</i>	<i>468/2596</i>	<i>437/2532</i>
5	<i>900/2738</i>	<i>624/1397</i>	<i>593/1067</i>	<i>531/901</i>	<i>499/812</i>	<i>468/785</i>	<i>437/757</i>
10	<i>900/2204</i>	<i>594/1144</i>	<i>565/884</i>	<i>505/753</i>	<i>476/677</i>	<i>446/655</i>	<i>416/634</i>
15	<i>900/2053</i>	<i>594/1017</i>	<i>565/762</i>	<i>505/634</i>	<i>476/560</i>	<i>446/538</i>	<i>416/517</i>
20	<i>900/1942</i>	<i>594/975</i>	<i>565/737</i>	<i>505/617</i>	<i>476/547</i>	<i>446/527</i>	<i>416/507</i>
40	<i>900/1817</i>	<i>594/895</i>	<i>565/668</i>	<i>505/554</i>	<i>476/487</i>	<i>446/468</i>	<i>416/449</i>
60	<i>900/1732</i>	<i>594/859</i>	<i>565/645</i>	<i>505/537</i>	<i>476/473</i>	<i>446/455</i>	<i>416/437</i>

Key:

*Italicised figures are fully serviced business centre office costs, others are for conventional office leases, i.e. to provide 10 people with accommodation for 3 months would cost £594 per person per month at a serviced business centre or £1144 at a conventional office lease*



## OUTSOURCING THE OFFICE

category: sum of traditional categories

location: Manchester Airport

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£7,097	£3,980	£3,210	£2,824	£2,661	£2,597	£2,532
5	£2,738	£1,397	£1,067	£902	£813	£785	£758
10	£2,204	£1,145	£884	£754	£678	£656	£634
15	£2,053	£1,017	£762	£634	£560	£539	£518
20	£1,943	£975	£737	£617	£547	£527	£508
40	£1,817	£895	£668	£554	£488	£469	£450
60	£1,733	£860	£645	£537	£473	£455	£437

Fig

## OUTSOURCING THE OFFICE

category: Regus prices, Manchester Airport

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£1,080	£624	£593	£531	£499	£468	£437
5	£900	£624	£593	£531	£499	£468	£437
10	£900	£594	£565	£505	£476	£446	£416
15	£900	£594	£565	£505	£476	£446	£416
20	£900	£594	£565	£505	£476	£446	£416
40	£900	£594	£565	£505	£476	£446	£416
60	£900	£594	£565	£505	£476	£446	£416

Fig

## OUTSOURCING THE OFFICE

category: diy leasing (rental costs only)

location: Manchester Airport

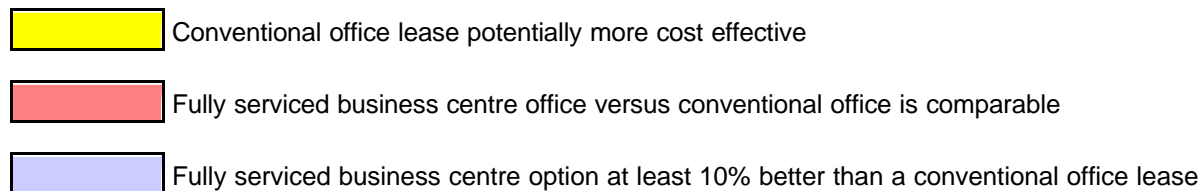
NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF SQUARE FEET TO BE NEEDED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
		1	3	6	12	18	24	36
1	110	£209	£209	£209	£209	£174	£174	£174
5	530	£201	£201	£201	£201	£168	£168	£168
10	1020	£194	£194	£194	£194	£162	£162	£162
15	1480	£187	£187	£187	£187	£156	£156	£156
20	1905	£181	£181	£181	£181	£151	£151	£151
40	3580	£170	£170	£170	£170	£142	£142	£142
60	5280	£167	£167	£167	£167	£139	£139	£139

Fig

## Percentage Saving - For: Reading Business Park

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	81%	80%	77%	77%	77%	78%	79%
5	63%	48%	38%	37%	34%	36%	39%
10	54%	41%	30%	29%	25%	28%	31%
15	51%	34%	21%	18%	12%	15%	19%
20	48%	31%	18%	16%	10%	13%	17%
40	50%	26%	12%	9%	3%	6%	10%
60	47%	22%	7%	5%	-3%	1%	5%

Fig



## Cost Comparison - For: Reading Business Park

Number of people to be accommodated	Number of Months for which Accommodation is Needed						
	1	3	6	12	18	24	36
1	1445/7509	859/4392	816/3622	730/3236	687/3040	644/2976	601/2911
5	1110/2994	859/1653	816/1323	730/1157	687/1036	644/1009	601/981
10	1110/2435	818/1653	777/1115	695/984	655/878	614/856	573/834
15	1110/2269	818/1653	777/978	695/850	655/747	614/725	573/704
20	1110/2151	818/1184	777/946	695/826	655/727	614/707	573/687
40	1022/2030	818/1108	777/881	695/766	655/673	614/654	573/635
60	1020/1924	818/1051	777/836	695/728	655/638	614/620	573/602

Fig

Key:

*Italicised figures are fully serviced business centre office costs, others are for conventional office leases, i.e. to provide 10 people with accommodation for 3 months would cost £818 per person per month at a serviced business centre or £1653 at a conventional office lease*

## OUTSOURCING THE OFFICE

category: sum of traditional categories

location: Reading Business Park

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£7,510	£4,392	£3,622	£3,237	£3,040	£2,976	£2,912
5	£2,994	£1,653	£1,323	£1,157	£1,037	£1,009	£982
10	£2,435	£1,376	£1,116	£985	£878	£857	£835
15	£2,270	£1,234	£979	£851	£747	£726	£704
20	£2,151	£1,184	£946	£826	£728	£708	£688
40	£2,030	£1,108	£881	£767	£674	£655	£636
60	£1,925	£1,052	£837	£729	£639	£621	£603

Fig

## OUTSOURCING THE OFFICE

category: Regus prices, Reading Business Park

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
	1	3	6	12	18	24	36
1	£1,445	£859	£816	£730	£687	£644	£601
5	£1,110	£859	£816	£730	£687	£644	£601
10	£1,110	£818	£777	£695	£655	£614	£573
15	£1,110	£818	£777	£695	£655	£614	£573
20	£1,110	£818	£777	£695	£655	£614	£573
40	£1,022	£818	£777	£695	£655	£614	£573
60	£1,020	£818	£777	£695	£655	£614	£573

Fig

## OUTSOURCING THE OFFICE

category: traditional leasing (rental costs only)

location: Reading Business Park

NO. OF PEOPLE TO BE ACCOMMODATED	NO. OF SQUARE FEET TO BE NEEDED	NO. OF MONTHS FOR WHICH FACILITY IS NEEDED						
		1	3	6	12	18	24	36
1	110	£407	£407	£407	£407	£339	£339	£339
5	530	£392	£392	£392	£392	£327	£327	£327
10	1020	£377	£377	£377	£377	£315	£315	£315
15	1480	£365	£365	£365	£365	£304	£304	£304
20	1905	£352	£352	£352	£352	£294	£294	£294
40	3580	£331	£331	£331	£331	£276	£276	£276
60	5280	£326	£326	£326	£326	£271	£271	£271

Fig