Future Workspaces -

What is the future of the office?

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What is the future of the office?

We're on a mission to help employers create and manage workspaces that positively impact the productivity and wellbeing of their staff. "Why?" you might ask, "You're a law firm". Well, the answer is simple. We know that space, and the way it is used – from the location of the building to the layout of the desks – has a huge effect on the success of a business, and we want our clients to be successful.

How does your workspace effect your productivity? How often do you work from home? Would a games room in the office make you more creative? These are questions we were asking when we started working on this project – before we'd heard of Covid-19 – in order to inform our work. In the autumn of 2019 we ran an online survey which 409 people who said they currently worked in an office or wanted to work in an office, completed. Forty two of these people were employers with responsibility for the workspace of their teams.

And then the pandemic started and the world of office work as we knew it changed overnight. Many businesses experienced 100% remote working for the first time. So we re-ran our survey, asking people to tell us how they felt about their workspace in this different light, giving us insight from new perspectives.

We want to share this insight with you and continue the conversation. Are we building the right types of buildings now? Will we be left with empty business parks? What will happen to the high street?

We hope the data and anecdotes in this report will resonate with you. We hope it makes you think. And we hope it gives you some tips and ideas for your business.

Matthew Hayes, Partner, Head of Real Estate

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Chapter one – Working from home

Executive summary

The experiences of 2020 altered many aspects of working life.

Here, we explore people's attitudes, before and during the pandemic, towards their place of work, how much time they commit, their effectiveness, productivity and sense of wellbeing.

The research shows a distinct shift under the extreme conditions of lockdown. Positivity about working from home fell. Many respondents reported longer hours, a drop in feelings of wellbeing and reduced effectiveness. Despite enjoying the absence of commuting, work-life balance was little changed.

We consider some of the challenges and opportunities from an evolved working landscape: the digital and the physical.

A seismic shift for the whole nation

Before the pandemic we asked people about working from home – we were interested in how it impacted their effectiveness and work-life balance. At that point (Autumn 2019) the respondents to our survey said that on average they worked from home less than one day per week. When the UK went into lockdown in March 2020 we were all encouraged to work from home if we could, and it's reported that in the following month 47% of people in employment in the UK did some work at home, with 86% doing so "as a result of the pandemic"[1].

Before the pandemic

🏠 **74%** of respondents wanted to work from home more often than they did

32% of those that gave a reason for not working from home said it was because their company didn't allow them to

👥 More than half of respondents wanted to work from home **1 or 2 days** per week

When we re-ran our survey in May 2020, we found that **71%** of respondents were working from home full time

How has the pandemic affected the number of hours we work?

Just under a third of people are working more hours than before the pandemic.

"I am working fewer hours than before."

13%

56% "On average I work the same number of hours as before."

31%

"I am working more hours than before."
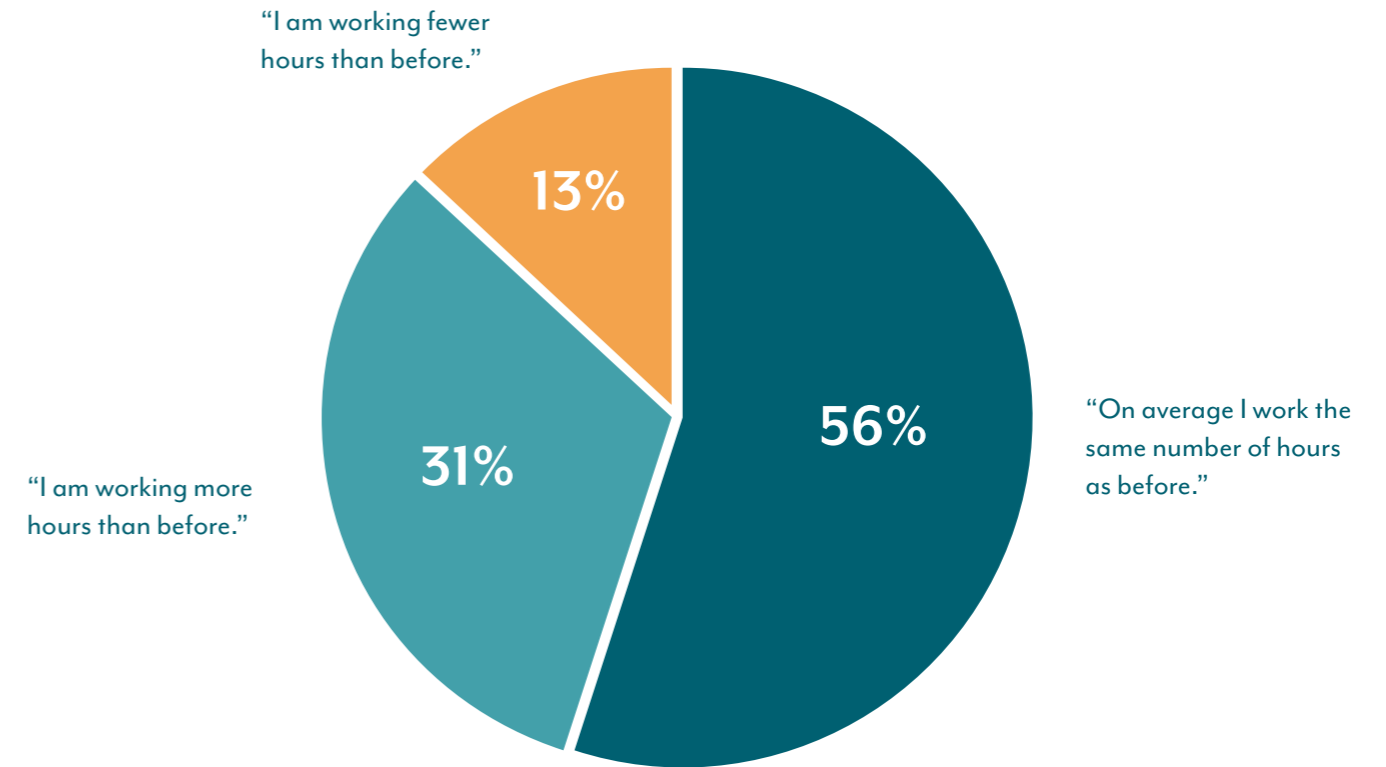
> " **It's easy to work more hours now I'm working from home, because I don't 'switch off' and without the commute, have more 'free time' which tends to be taken up with work.** "

How 'effective' are we when we work from home?

In the context of office-type work, the concept of productivity is challenging to quantify as we're not 'making widgets'. However, we asked our respondents to tell us how working from home impacted their perceived effectiveness.

Before the pandemic

91%
said they were either as effective or more effective when working at home

In general, respondents said that working from home didn't make them procrastinate or lead to lack of motivation

During the pandemic

When we asked the same question in May we noticed a shift. Only **82%** of respondents in our second survey said they were either as effective or more effective when working at home. The percentage of people that now feel they are less effective when working from home has doubled

Effectiveness whilst working from home

- Before the pandemic
- During the pandemic

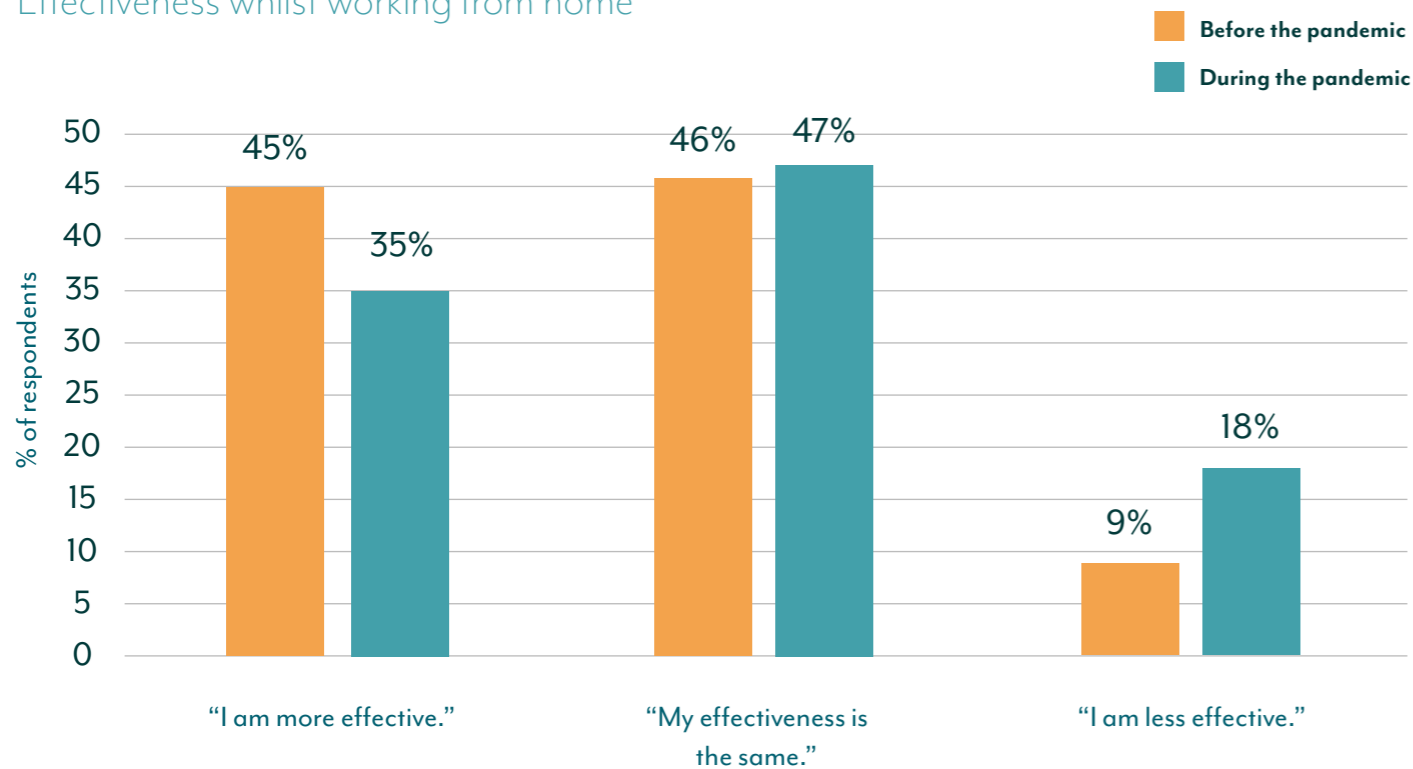|	"I am more effective."	"My effectiveness is the same."	"I am less effective."
Before the pandemic	45%	46%	9%
During the pandemic	35%	47%	18%

% of respondents

In general, people feel effective and productive when working from home.

> " Sometimes I find it hard to focus when I'm home and there are lots of little jobs I could do like the washing up or vacuuming. "

> " In the workplace I have my own office so the distractions are minimal. Also at home I have two small children and do not have a dedicated office so struggle sometimes to focus. "

Might working from home affect the tax you pay?

In short, yes, although the rules are not always straightforward.

If you are an employee and your home is your principal place of work, the costs of utilities such as electricity, gas and metered water (but typically not broadband) are tax deductible. HMRC has introduced a standard deduction that you can make per day for home working costs. However, you cannot claim these costs if your employer has already reimbursed you.

Additional temporary rules have been introduced for reclaiming the purchase of home working equipment during the Covid-19 pandemic, although any private use of the reimbursed equipment must not be significant.

If your home has become your principal place of work, you may be able to claim for the costs of travelling to a temporary place of work, such as your employer's main office.

Note that there are different rules if you are self-employed.

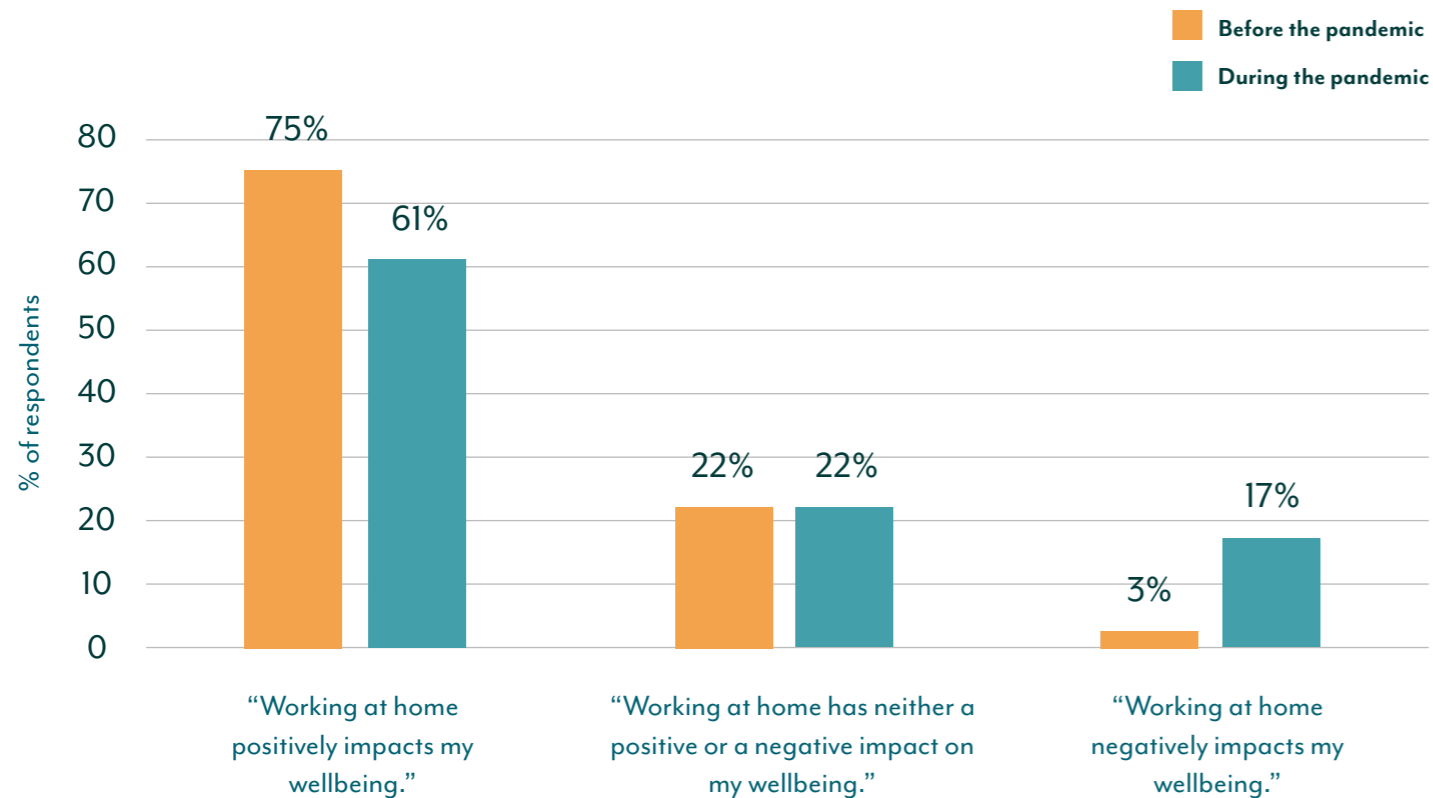**Sarah Woodall, Head of Tax, Partner (Barrister)**
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How does working from home make us feel?

Wellbeing and mental health are huge matters for employers to consider. Analysis by Deloitte finds that poor mental health costs UK employers up to £45 billion each year[2]. We wanted to find out if working from home had an influence on our wellbeing.

Wellbeing whilst working from home

Legend:
- Before the pandemic
- During the pandemic

Y-axis: % of respondents (0, 10, 20, 30, 40, 50, 60, 70, 80)

"Working at home positively impacts my wellbeing."
- 75%
- 61%

"Working at home has neither a positive or a negative impact on my wellbeing."
- 22%
- 22%

"Working at home negatively impacts my wellbeing."
- 3%
- 17%

> " **I'm more rested as I don't have to get up so early and I'm ready to go out for an evening walk 1 hour earlier than when in the office. Overall I'm less tired.** "

The shift here is interesting. We hypothesise that the reduction in people agreeing that working from home has a positive impact on wellbeing is because once they'd experienced it for more hours per week and over a longer period of time than ever before, the working from home dream was not as attractive as it once appeared. There may also be added stresses of having children, partners, parents or housemates at home at the same time, as well as the underlying stress of the pandemic. It would be interesting to see if perception has changed once again as we move through 2021 and beyond.

> " **It's swings and roundabouts really, I save 2 hours per day on my commute, but invariably work into the evening. However, I do have the flexibility to take half an hour here and there during the day for family time/ house jobs.** "

Before the pandemic

Before the pandemic we asked if people were worried about any aspects of working from home, for example if they were at home when their colleagues were in the office. Some said they were worried about being able to separate their work from their home life. And it seems there's a small shift in how people feel about the effects of home working on their work-life balance now, but broadly they feel the same about it as they did before.

Work-life balance whilst working from home

Before the pandemic
During the pandemic

"Working at home positively impacts my work-life balance." — Before the pandemic: 78%, During the pandemic: 76%

"Working at home has neither a positive or a negative impact on my work-life balance." — Before the pandemic: 15%, During the pandemic: 14%

"Working at home negatively impacts my work-life balance." — Before the pandemic: 7%, During the pandemic: 10%

(% of respondents, y-axis 0–90)

There are many potential reasons for these perception shifts around effectiveness, wellbeing and work-life balance, notwithstanding the unique context of the pandemic situation. Reasons – both positive and negative – given across the board, include:

1

No commute.

Not being in the car or on the train for two hours every day frees up so much time for people.

2

Missing colleagues.

This lack of interaction and therefore lack of opportunity for collaboration can be damaging on many levels.

3

Having more flexibility on how we spend our time.

This can be incredibly empowering.

" **I am on a screen for up to 14 hours a day.** "

How should employers support home workers?

The health and safety and duty of care considerations

One of the concerns emerging from the shift to working from home is the mental wellbeing of employees who are isolated. It is important to note that we are working through uniquely challenging circumstances. People will not always have to isolate themselves so strictly.

However, for people used to working with other people throughout their working lives, switching to the isolation of home working can be challenging. As Claire Batsford, interim Chief Operating Officer of a Housing Association, comments: "You don't get the chance to bounce ideas off people and get feedback straight away."

There is also physical wellbeing to consider. In employers' offices, desk setups are carefully designed to be ergonomic. Can the same thing be said of someone working from home? Unless they have space to create a dedicated working environment, they may find themselves sitting on a hard chair at the dining room table or, perhaps worse, on their bed. It has a huge potential to create physical health problems.

Even though an employee is working from home, the employer still has a duty of care. Rachel Roberts is a partner in our Employment and Immigration team. She recalls one instance of the steps an employer took to ensure they were complying with their duties: "Their employee had a bad back, so my employer client sent her an orthopaedic chair to use when working from home."

We also know that sitting down all day is bad for physical health. When an employee goes to an office, at least some movement is involved. When working from home, the number of steps taken falls dramatically unless a person takes conscious action to counteract this.

If your staff are working from home, even if it's infrequently, as an employer there are steps you must take to ensure their health and wellbeing. Know your obligations as a minimum – and good employers will recognise that going above and beyond will pay back ten times over.

Rachel Roberts, Partner, Employment and Immigration

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The rise and rise of Zoom – our use of technology when working from home

According to a report by the BBC, use of Zoom's software jumped 30-fold in April 2020. "At its peak, [Zoom] counted more than 300 million daily participants in virtual meetings, while paying customers have more than tripled."[3] We asked people to tell us about their experiences of using technology such as video calling to communicate with colleagues or clients, before and during the pandemic.

There's a clear difference in the use of such communication tools with many obvious upsides and some downsides. The efficiency of video calls versus face to face meetings was cited by several in our mid-pandemic survey as an aspect they wanted to 'take forward' to a new normal way of working in the future.

How frequently did you use technology such as video calling to communicate with colleagues or clients, before and since Covid-19?

Legend:
- Before the pandemic
- During the pandemic
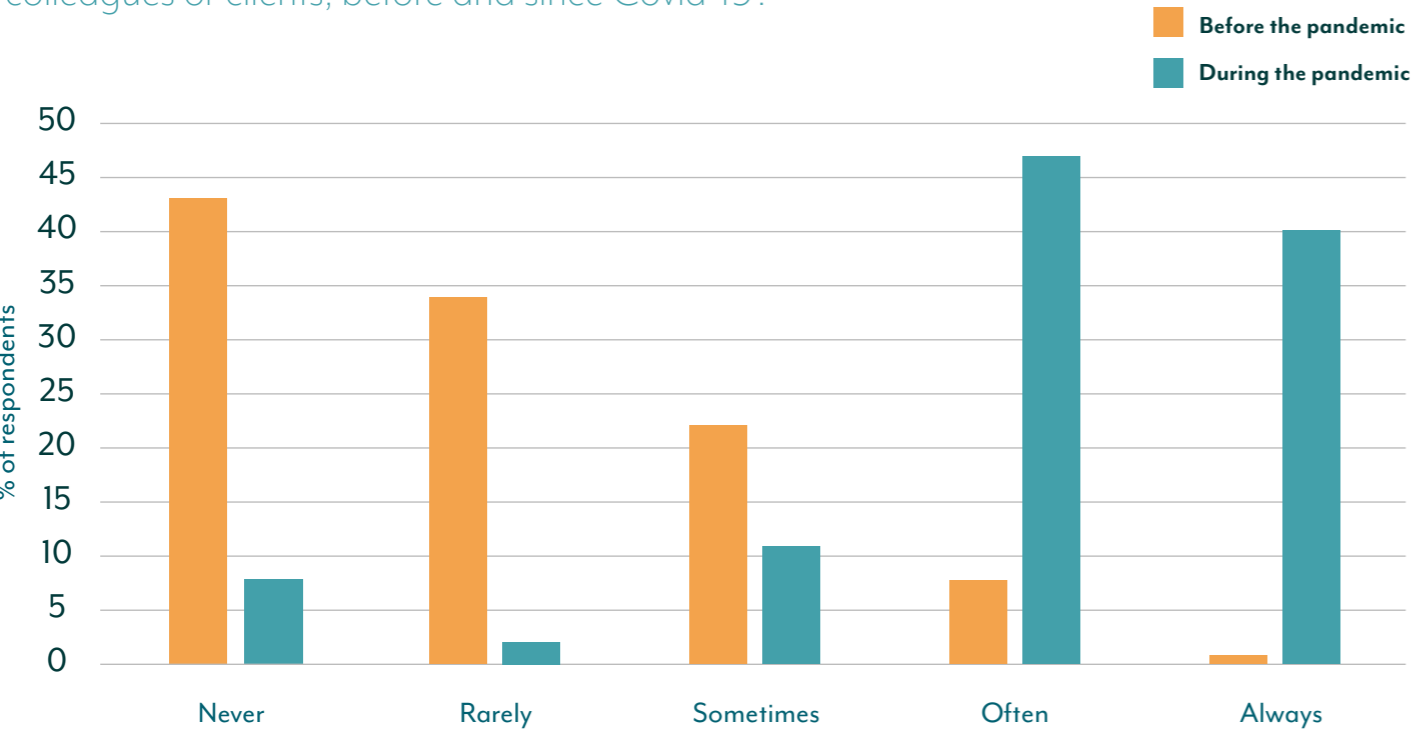
The security and infrastructure challenges

The dramatic shift to home working is proving to be very fruitful for cyber-attackers. Barracuda, which has been monitoring global Covid-19-related phishing activity ranging from phishing attempts, malicious attachments and links to malware or ransomware strains, has seen a dramatic increase in attacks:

137 incidents in January   **1,188 incidents in February**   **9,116 incidents in March [4].**

Nicola McNeely, a partner in the Commercial Team and Head of Technology offers six key points that employers should take into account when facilitating working from home:

1. Make use of a VPN. Using a VPN on a PC, laptop or mobile device creates an encrypted network connection. This will increase security of data for employers whilst ensuring employees can still access their work IT resources.

2. Ensure your work network has tight security provisions, being sufficiently patched with sufficient security configurations.

3. Update your cybersecurity policy to cover remote working. This will need to consider protections covering remote access, employee use of personal devices, and updated data privacy considerations.

4. Ensure that your insurance policy provides adequate cover for employees working from home.

5. Provide sufficient guidance to employees in spotting and reporting suspicious activity, such as coronavirus phishing campaigns. Communicate updated advice regularly to employees to act as reminders.

6. Check for sector, or industry-specific rules and regulations in relation to the handling of information and work products and, if necessary, implement practices that ensure you do not breach them.

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Co-working spaces – a much loved alternative to working from home

In our pre-pandemic survey, we asked people about co-working spaces such as 'wework' where you can share office space with others, often from other companies. Many people use co-working spaces as an alternative to working from home. However co-working spaces seem to be a new concept to many – 78% of our respondents said they had never used them – but the people we spoke to that do use them, were overwhelmingly positive about their experiences.

Some of the co-working spaces that we'd visited before the pandemic had to close temporarily during lockdown, as you'd expect. But they are up and running again now, and thriving, albeit with social distancing and new Covid-secure measures in place.

So why are people so positive about co-working spaces?

> **Co-working spaces seem to be a new concept to many – 78% of our respondents said they had never used them.**

The people that use them love them for the liveliness and sense of community they offer, as well as their positive effect on productivity.

Paul Goring is Managing Director of Consortio and uses The Workplace, a co-working space in Cheltenham. He says: "People get on with what they've got to get on with. But equally there's a real feeling of community, it's not just head down and ignore everybody. I like that about it."

Jonathan Harris, Founder of LeadHub and another user of The Workplace, echoes Paul's comments. "In terms of being productive, I know I can come here and be undisturbed for the whole day. But if I want to engage, I can. I just need to turn to the person next to me. From that perspective, it's super, super good."

Another theory is that people love them because of the quality of the space. As commercial enterprises, co-working spaces need to create high quality environments in order to attract people to use them.
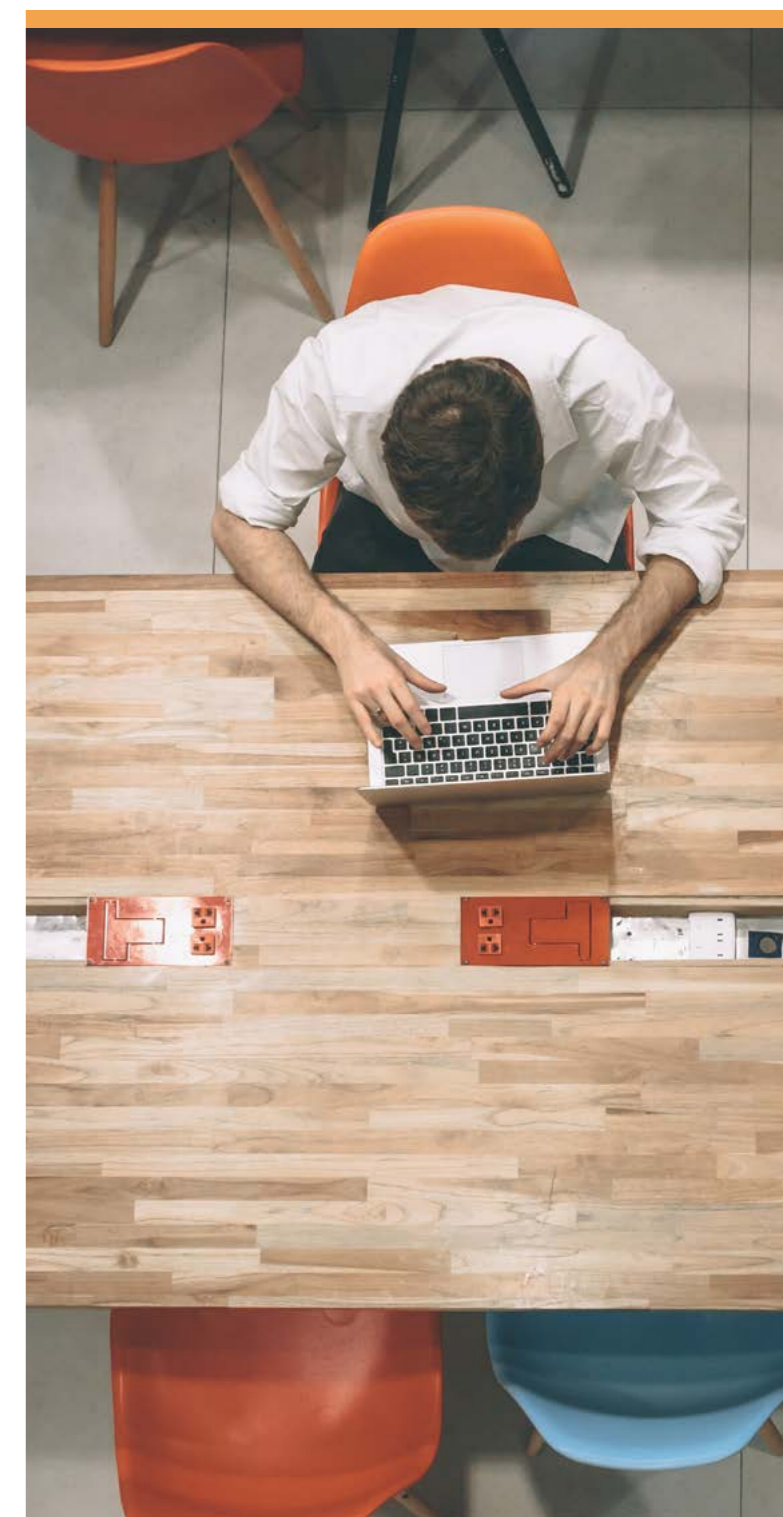
Claire Storey, founder of The Workplace, says the quality of the space was important to her. As well as the latest technology, the space is equipped with furniture such as electric desks and Herman Miller chairs.

And as Paul Goring comments: "I think the environment itself has been very well put together – it just feels different and modern. A lot of corporates could learn from that, because some of the environments I've worked in have been a little tired."

Another key difference is the flexibility and variety of space.

Louise Stevenson, co-founder of WorkHere, a co-working space in Hereford, also highlights the importance of creating a flexible space that gives people choice. Her building features rooms of different sizes spread across three floors. She says: "Whilst it's open plan, it offers variety. I've got members who like to put their headphones on, get their head down and they don't particularly want to talk to anybody. They tend to go into a little room upstairs. And then we've got people who want to chat and collaborate and they tend to sit in the bigger rooms where there's a buzzier

atmosphere. You can find your little zone and have your own little space, even though it's hot desking. And as well as standard desks and chairs we've also got a bar stool area and we've tried to provide different types of seating and furniture, so there are spaces to suit different personalities."

Claire Storey agrees that flexibility helps: "Our online booking system shows you who has booked which desks, so you can choose where you want to sit depending on who's booked the neighbouring desks. I love watching people form social groups and then start going out together in the evenings as well. Whereas obviously in an office you're just given your desk and that's where you have to sit, or you take your chances with the hot desking scenario."

THE WORKPLACE

" I provide workspace for people who work from home. The vast majority of them have workspace at home, but prefer to pay to come to use an office with others.

I think that it is generally perceived that home working full time is fantastic to those who work in an office. Then they try it and discover that sitting at home alone is isolating, and most find it hard to concentrate.

Many of our members also now have employers who are happy to pay for their "homeworkers" to work in our space as it makes them happier, more productive, and therefore ultimately saves the company money. "

Claire Storey, The Workplace, Cheltenham

How is what we want from our homes changing?

Before the pandemic, many people who responded to our survey expressed a wish to be able to work from home more often than they did. Now it is increasingly predicted that the shift to working from home will become permanent to a greater or lesser extent.

We already see this shift reflected in what people are looking for from their homes. According to data from property firm Rightmove,[5] nearly half of renters (49%) and over a third of buyers (39%) currently in the market say lockdown has changed what they're looking for in their next home.

The top six attributes both buyers and renters want from their new home include more space, a better home workspace, a garden or access to green space, and access to parking or a garage. As a reflection of this shift, flats are no longer in the top five most wanted property types.

Before the pandemic, our survey found that people thought the perfect length for a commute was 0-15 minutes (against a typical average commute time of 35 minutes). After lockdown, commuting time appears to be less of an issue – perhaps because people no longer see it as part of their day-to-day life. Rightmove found that commuting time from the workplace is a less important factor than it was, as are nearby transport links.

If these shifts play out, it will be one example of how the pandemic has caused a seismic shift in our ways of living and working.

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The employer perspective on working from home

In the survey we ran before the pandemic, we asked why employees were unable to work from home if it was something they wanted to do. The results were interesting – they showed a gap between what employees think about whether they can work from home, and what employers think is the case.

Reasons for not working from home

32%

said their company doesn't allow them to

BUT

just **5%**

of employers say they don't endorse home working

What is the reason for this gap?

We can perhaps speculate that while working from home is technically endorsed by employers, the cultural environment discourages this. We certainly know from our survey that employers' key concerns around employees working from home centre on productivity, communication, collaboration, motivation and commitment. These concerns may spill over into implying that working from home is unacceptable. However, while we saw that employees agreed collaboration was an issue, they also felt they were as or more effective when working from home.

Whatever the reasons, the Covid-19 situation is proving to be the biggest work-from-home-experiment ever conducted. It will be interesting to see how businesses adapt to this new way of working – and whether they return to the status quo once restrictions are fully ended.

Reservations from employers about employees working from home

"For some this is an excuse not to work as there are too many distractions at home."

"It can be a challenge to find suitable space within the home for productive home working with good quality broadband and phone signal."

"It can be more difficult to work collaboratively, even with software like Skype or Slack."

"We have several roles within the business that require full-time presence in the office or a company vehicle. One manager currently works from home which negatively impacts the planning of management meetings, supplier meetings etc. That said, productivity of this worker is good, but interacting with colleagues and particularly their own team members is not as easy as with office-based workers."

"We're concerned about the risk of connecting to company data and communication systems from personal devices."

There's a perception gap between employers and employees as to whether working from home is permitted.

The importance of a home working policy

While many employers have a flexible working policy of some description in place, Michael Stokes, Head of Employment and Immigration, says a lot of businesses don't yet have a home working policy. It's something he recommends if a business is going to support home working more frequently, though.

A home working policy sets out the arrangements that are in place between the employer and employee. It is also a useful opportunity to think about the practicalities. For example, who will provide the equipment? Will staff use their home telephone or will they have a work mobile? Who will pay for what?

Michael says: "At one end of the scale, some businesses will go into an employee's home and set everything up – desk, phone line, computer with encrypted software. At the other end of the scale, if an employee has their laptop they're good to go. The level you're at will depend on the type of business you are. For example, if you're dealing with confidential documents, you might want to have more control over a home worker."

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Sarah Woodall, Head of Tax, Partner (Barrister), Licensing, Regulatory and Tax

"The evidence here suggests that during the pandemic and first lockdown, people evolved quickly, learning new skills and embracing new practices. I think people largely are looking forward to embedding these new ways of working in their future working patterns. It's interesting that some people who historically may have felt isolated working from home now feel differently – being in a team where everyone is working in similar ways has positively reduced feelings of marginalisation. It's clear as well, that people welcome the economic and time savings of reduced commuting, which combined with the potential for relief against tax for extra costs of heating and electricity at home, helps."

Zoe Touhey, Partner, Head of Residential Property, Real Estate

"I believe that in the near future, more people will want to buy houses that have bigger gardens and a room that can easily be used as a home office. Properties which are in areas which were previously not as popular are now becoming so. More and more people are also buying second homes in the countryside so they have an escape where they can take a welcome break from the stresses and strains of everyday life."

Rachel Roberts, Partner, Employment and Immigration

"Working from home has the potential to bring great benefits to employers and employees. The ability to easily fit in the school run, or walk the dog at lunchtime, can massively improve work-life balance. In turn, this can increase employee loyalty and job performance. However, we should not lose sight of the benefits of office working. Informal networks, easy access to supervision and the general camaraderie of the office to help you through a rough day are all important benefits. Once the pandemic has passed, I want to support employers to achieve the best of both worlds."

Michael Stokes, Partner, Head of Employment and Immigration

"The Covid-19 lockdown has removed most of the guesswork about the advantages and disadvantages of home working. I suspect that more employers were sceptical about it before lockdown than were willing to say, but many have now adapted to it, just to keep going. Employers and employees should treat 2020 as a test-run for home working and apply the lessons when coming up with new policies. The key message for employers? Don't be too rigid when you apply that new policy."

Chapter two – Commuting… or not

Executive summary

Commuting is typically characterised as the daily grind.

We asked people to tell us about their commute pre-pandemic; how long it took, what it cost, their mode of transport and whether they worked during this 'downtime'.

Lockdown allowed everyone to experience what a future without commuting may mean, for individuals and for employers. How might transport needs influence choices over where to locate an office? Or what type of buildings we require? What will be the impact on market rates for commercial leases, or the opportunities for rural office development?

We explore the wider repercussions on the environment, planning and infrastructure.

Work and home – two distinctly separate places?

Say the word 'commute' and one of the images that will pop into many people's head will be of an office worker leaving the suburbs and heading into a city centre by car.

Before the pandemic, home life and work life were in two distinctly separate places. An essential element of any office building was car parking facilities – so much so that car parking would often be highlighted as a perk of a job.

Yet even before the pandemic, there were signs that this was no longer an attractive option, especially for young professionals.

Before the pandemic

The length of commute

Average commute was **35** minutes

0-15 minutes was the "perfect" commute time

How people feel about their commute

15% said their commute was "easy"

36% said their commute was "OK"

13% said their commute was "frustrating"

The cost of commuting

7% of people described their commute as "cost-effective"

12% said their commute was "expensive"

The reported saving of not commuting during lockdown, was on average

£197 per month

Productivity on the commute

31% of employers worked while commuting

10% of employees worked while commuting

Mode of transport

57% of employees drove themselves to work

23% of employees walked or cycled to work

34% of people were currently driving to work but would have preferred to walk if work was closer

The overwhelming conclusion we can draw from these findings is that people think commuting is a waste of time and they want to do less of it. Indeed in our mid-pandemic survey, nearly a fifth of people said that what they **liked most** about working from home during lockdown was not having to commute, with 18.5% saying that not commuting has helped improve their perceived wellbeing.

> " I know that people find commuting stressful. Driving means being stuck in traffic jams, buses run late, we're squeezed in like sardines on trains, cycling means dodging the (already stressed!) motorists and walking can often turn into a flustered sprint if you time it wrong. My team and I work flexibly, acknowledging that the give and take reduces the pressure. The focus is on getting the job done, not timing. "
>
> Claire Batsford, interim Chief Operating Officer of a Housing Association

Commuting is a waste of time and people want to do less of it.

It's not just workers that benefit from not commuting – the business does too

With nearly a third of employees telling us they were working longer hours than before lockdown, there is potentially a group of employers that are reaping the rewards of the additional hours being put in, in place of the commute. In addition, there have been financial savings for those employers that pay travel or mileage expenses.

However, some employers will recognise that commuting can provide valuable time for us to 'switch off'. Commuting from the spare bedroom to the kitchen at the end of the workday, does not provide the same head space as a short journey in the car or train, or indeed a walk from the office to home. Employers need to balance the risk of their staff burning out, with the benefit of the additional hours being worked.

> " **I no longer feel the pressure of the traffic-filled commute and the strict 9-5 times of work. I can work the same hours but more flexibly, and my work-life balance has improved considerably.** "

> " **Before lockdown, the 2 days a week that I was in an office meant either a 2.5 hour commute or 1.5 hour commute (London or Milton Keynes). So now I'm not doing that I can work a full 8 hour day without travel time reducing it.** "

Before the pandemic we asked employers what they thought was most important when choosing premises. Car parking spaces and proximity to the motorway or main road networks both featured in the top five. Given commuting is generally considered to be unproductive and draining, and people have so enjoyed not having to commute during lockdown, do these requirements need to change?

Before the pandemic

What top 5 factors are most important to employers when considering the location of workspaces?

1 Cost to lease/ buy space

2 Appropriate size for core work activities

3 Proximity to motorway/ main road networks

4 Proximity to car parks

5 Cost to run the space

Nearly a fifth of people said that what they <u>liked most</u> about working from home during lockdown, was not having to commute.

Are we building the right types of building in the right places?

The results of the survey indicate that more time will be spent working from home in future. But we are still going to need offices, albeit on a reduced level in terms of quantity and size. This is because there will always be a need for face-to-face contact within teams in order to foster collaboration and support the training and development of staff.

With people spending more time working at home, the way we build residential accommodation in the future will need to adapt. People are likely to want a clear division between their living and working areas so their accommodation needs to provide space for one or more people to have an 'office' at home where they can work and not take up living space. The residential accommodation that is currently being built, particularly in city centres, with small and multi-functional rooms is unlikely to be in high demand unless it can be modified to include communal or pod working spaces.

On the basis that residential accommodation will have to be bigger, the existing housing stock with larger rooms may be in high demand. In respect of new build accommodation, developers and architects will need to carefully consider the country's new working practices in the design phase, as there will be a reduced density within any given development in order to incorporate larger apartments with integrated or communal workspaces.

In addition, within city centres there will need to be more green space so that people can leave their home and 'get away from work' for their mental wellbeing. I expect the existing housing stock that comes with a garden will become even more attractive. The challenge of the existing housing stock however, is the energy efficiency of the buildings which will need to be upgraded to meet the challenge of carbon reduction.

It will be interesting to see how the planning departments of local authorities and developers deal with these new ways of working.

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What about rural or converted agricultural buildings as offices?

The last decade has seen a rise in the number of farm and rural buildings being converted into office space. Certainly, a rural commute may seem more appealing than an urban one, depending of course, on personal preferences. According to Oliver Workman of THP Chartered Surveyors, these workspaces can be an attractive option. "For some businesses it is important to have something stylish and a town centre location that looks the part. But if you have staff who are in and out of the office regularly, easy access and allocated parking is a critical factor. In this case, a business park might be the answer. For businesses that want the personality but also the practicality, we're seeing increasing interest in rural premises and converted farm buildings."

With employers embracing flexible working policies and people working from decentralised locations, we are seeing a boom in the use of rural office space, which makes a positive contribution to the rural economy.

It is too early to tell whether this will continue to be embraced for directly employed people post-Covid but it is likely to continue for the self-employed, start-ups and small companies, whose need to have a high street presence or in-city location is disappearing.

Rural office space and in particular rural hubs, mean people can avoid the isolation of working from home, whilst avoiding the cost and time connected with a long commute to a city location.

> " **For businesses that want the personality but also the practicality, we're seeing increasing interest in rural premises and converted farm buildings.** "
>
> Oliver Workman, THP Chartered Surveyors

If you are a land owner considering converting your buildings to office space then these are my top tips:

1.

Carry out detailed market research to ensure that there really is a demand in your area – the demand does differ greatly from region to region.

2.

Ensure that you get the appropriate planning permission in place.

3.

Make sure that you have high speed and reliable internet, with good access and parking.

4.

Consider the tax and insurance implications of converting agricultural buildings in to office space.

5.

Make sure you formalise any arrangements with the occupiers to maintain control.

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So how might our infrastructure need to change?

Jeremy Williamson, former Managing Director of Cheltenham Development Task Force, interviewed at the start of the pandemic, said he often heard from businesses operating from out-of-town office parks. He said they would complain of struggling to retain staff because they found the convenience of the parking was not enough to make up for the lack of infrastructure and local amenities, which meant, for example, there was nowhere to go at lunchtime.

He also pointed to successful spaces in town centres attracting premium rents from businesses despite a lack of car parking. He gave an example of a successful office development in Cheltenham town centre with limited car parking, but lots of storage space for bikes, plus showers and drying rooms.

Cheltenham's proposed cyber park next to GCHQ taps into the trend of people wanting to bring their work and home locations closer together. Plans show it will be built around garden community principles, with the 132 hectare site featuring the cyber park and 3,000 homes, plus shops, cafes, hotels, leisure spaces, an electric shuttle bus service transporting people into Cheltenham and direct pedestrian and cycle connections with nearby neighbourhoods [6].

Much of the current commentary is around how working from home could become a permanent change, with office space no longer required in the way it once was. But could having housing and offices in close proximity like this provide a happy medium?

It may also be that the plans are ahead of the curve in more ways than one. The electric shuttle bus taps into the green trend, but may fall victim to reduced use of public transport for health and safety reasons. On the other hand, the pedestrian and cycle connections look like perfect examples of the initiatives government was imagining when it launched its £2 billion package in May 2020 to relieve the pressure on public transport by encouraging alternative ways to travel such as cycling and walking [7].

Bringing home and work closer together could also boost ailing town and city centres, struggling to survive without office workers commuting in every day. Jeremy commented on how European town and city centres feature domestic and retail premises in a way that UK town and city centres rarely do. Could the future of the UK high street be preserved if people both lived and worked there?

2020 – the biggest planning shake up in decades

2020 has seen the biggest shake up of planning uses for decades, providing much needed flexibility for businesses, but also huge uncertainty for the future of the retail high street and the location of employment spaces such as offices.

The Government's consolidation of a diverse range of retail and business uses into a single 'Class E' from 1 September 2020 allows businesses to change between uses such as shops, offices, cafes, and light industrial uses under permitted development rights. Additionally, a new permitted development allowing the demolition and rebuilding of "vacant and redundant" office and light industrial buildings into dwellings was introduced on 31 August 2020.

The changes mean there is now greater scope for businesses to adapt premises to the fast-changing needs of and attitudes to workplaces, without many of the planning impediments which have long been a criticism of the previous system.

There is, however, a concern regarding the removal of the "town centre first" planning policies, which were designed to cluster compatible business uses to create vitality and protect town centre economies. Allowing the market to decide the use of buildings may not deliver the balance of business uses that creates the necessary vibrancy to attract people to town centres.

The extent the changes will increase residential uses in town centres also remains to be seen. Although the Covid-19 pandemic is likely to see flexible home working increase, the desires of many employees to live close enough to work to walk or cycle are balanced with those prepared to undertake a longer commute as they are not attending the office each day.

Additionally, an important part of the changes remains in limbo, as until 31 July 2021, the permitted development rights to change uses such as offices and retail to residential have not been updated.

What will happen after July 2021 has not yet been confirmed: watch this space.

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a massive opportunity to boost the economy by investing in green industries, and transport is at the heart of this. According to the Thomsom Reuters Foundation[9] green transport is set to overtake cars in the world's major cities by 2030. It is predicted that journeys by private car will drop by 10% on average, while public transport, walking and cycling will all increase in popularity. One concept unpinning these initiatives is that of green loans.

> " **Global daily emissions of CO^2 fell by 17% at the peak of [the first lockdown].** "

The pandemic will accelerate change that has a positive effect on the environment.

Commuting and the impact on the environment

Amongst the respondents in our pre-pandemic survey, there was evidence of a desire for the commute to be less environmentally damaging – 34% of people would prefer to walk to work than drive.

According to a study in the journal Nature Climate Change, as reported by the BBC: "Global daily emissions of CO^2 fell by 17% at the peak of [the first lockdown]"[8]. Road traffic was down, and there were anecdotal reports of greater numbers of wildlife appearing in urban areas. However, whilst this short term positive impact is unlikely to have a lasting effect on climate change, as Harriet Forster, who co-authored the report says: "Our paper shows that the actual effect of lockdown on the climate is small", it is likely that the pandemic will accelerate change that does have an effect on the environment.

As the pandemic continues and home working increasingly becomes the norm rather than the exception, individuals, businesses and indeed cities are having to address what work 'looks like', and that provides the opportunity to rethink the daily commute and the built environment: now people and businesses are open to choice and flexibility.

Covid-19 has prompted long-term shifts in working patterns, reductions in transport use, staggered working times, and a move by employers to explore smaller offices and co-working hubs. The country has been given

What are green loans?

The concept of a 'green loan' addresses both the challenge of economic recovery and climate change both in the UK and globally. The premise is based on putting green projects at the heart of job creation and economic growth.

A green loan is any type of loan instrument made available exclusively to finance or re-finance, new or existing eligible 'green projects'. There is no fixed definition of what constitutes a green project but there is a useful indicative list of categories which includes various aspects of renewable energy – production, transmission, appliances and products. Another category relates to energy efficiency, for example, new and refurbished buildings, energy storage, smart grids and related appliances and products. The list carries on with pollution prevention and control, environmentally sustainable management of living natural resources and land use, clean transportation, sustainable water and wastewater management and a number of others. More can be found in the Loan Market Association's guidance on Green Loan Principles[10].

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Our findings on commuting and the
future locations of office workspaces

Keith Blizzard, Partner (non-solicitor), Head of Construction and Engineering

"Commuting used to be from home to work either by car or on public transport. In the new world it may just be moving from one room to another or even tidying away the breakfast to make way for the work. Some traditional commuting to the office will continue but the pattern is likely to be different with people only being in the office on certain days and on staggered start times, which could make for easier rush hours and less of the stress which people feel the commute creates."

Mary Wathen, Partner, Head of Agricultural Property

"The use of rural office space and hubs can really help relieve the frustration people have with commuting. These rural spaces are more accessible, away from large volumes of traffic and generally with lots of free parking. They can help people keep their costs and time spent commuting down, whilst still giving people a space, away from the home, to work and interact with colleagues."

Rosalind Andrews, Partner, Planning and Highways

"Existing transport infrastructure and the demand for more sustainable transport options will both be impacted by changing commuting patterns. Cars may now be a preferred option for some due to public transport safety fears, or a necessity as public transport season tickets are less financially viable for those only attending the office a couple of days a week. Equally it may be more feasible to cycle or walk a longer distance if it is only once or twice a week. Or after so many months of disruption, will people simply be missing the separation between work and home life that a commute provides and be keen to get back to their old commuting pattern?"

Harriet Murray Jones, Partner, Real Estate Client Partner and Head of Energy

"Over the last 6 years I have driven over 150,000 miles for work: 25,000 miles a year, 483 miles a week or an average of 96 miles a day. This equates to 7.5 hours a week – a full day's work each week lost to driving!

Since March 2020, I have driven just over 1,000 miles. For me personally this has been an extraordinary and positive change. I have seen tangible benefits in terms of my health – my shoulders are less tight, I am less stressed – and I have more time for both work and family. But the biggest benefit as I see it, is the environmental impact this has had."

Chapter three – The future of office spaces

Executive summary

Which elements of office design contribute the most to productivity?

In this chapter, we consider the physical attributes of our surroundings. From acoustics to desk-sharing, temperature controls to connectivity, we asked what makes people feel productive or presents their greatest distraction.

Trends that have influenced workspace design over recent years include open-plan layouts, hot desking and break-out spaces encouraging social activities between colleagues. We hear the first-hand account of a firm that has embraced creative workspaces.

The spatial needs of many businesses may change as a consequence of new models of office and remote working. What are the implications for lease negotiations?

What about – and within – the office space has an impact on our work?

One of the first questions we asked ourselves when we started this project was whether it was possible to link 'quirky' office designs – where the 'chill out rooms' and pool tables are next to the desks – with increased productivity. When we talked to respondents about productivity we qualified our questions by saying: "We are interested in your perceptions of your own productivity and the factors that you believe have an effect on your output and wellbeing" – the concept of productivity in knowledge type work done in offices, being a research area in itself. It was a great conversation starter, and where it took us was really interesting.

Before the pandemic

36% of people said the usual noise levels in the room they work in negatively impacts their productivity

57% of people said having a regular desk or space positively impacts their productivity

We asked people to rate the extent to which a series of factors that we hypothesised were significant, influenced their productivity. These are the results:

	Not applicable	Negatively impacts my productivity	Has neither a positive or negative impact on my productivity	Positively impacts my productivity
The equipment (hardware such as my laptop) I use for work	8.1%	5.4%	32.8%	**53.7%**
The systems (software) I use for work	1.7%	20%	29.3%	**49%**
The speed of the connectivity in my workplace	0.4%	19.6%	29.4%	**50.6%**
My workplace culture on time keeping/ being present in the workspace during certain hours	10.9%	18.1%	**44.8%**	26.2%
The physical (built) environment of my workspace, e.g. air conditioning, size of space	2.8%	**34.4%**	29.6%	33.2%
The usual noise levels in the room I work in...	4%	35.9%	**43.6%**	16.5%
The usual people I share a space with...	10.4%	14.8%	**39.6%**	35.2%
When I am in a workspace by myself, it...	3.2%	4.4%	43.2%	**49.2%**
I hot desk and it...	**54.4%**	17.4%	**22%**	6.2%
I have a regular desk/ office space and it...	12.1%	2.3%	29%	**56.6%**

We also asked questions about the importance of having somewhere to go for breaks; and how much respondents valued fresh air and daylight. Digging deeper and analysing the qualitative statements that our respondents gave, we concluded that before the pandemic, these factors most influenced day to day productivity, and were therefore, we deduced, most highly valued by workers:

· Being able to limit noise, distractions and interruptions

· Level of flexibility

· The team and being around the right people.

And these factors most positively impacted productivity overall:

· Equipment and hardware (when it's the right kit!)

· Systems and software

· When I'm in a workspace by myself

· Having a regular desk/ office space.

spaces where they can do focused work which needs concentration, space where they can collaborate and have informal meetings and discussions with colleagues working on the same tasks, and private spaces for formal meetings.

"This combination gives people a level of control over their environment, which they value, and means that they can choose the right space for their work. It helps increase acoustic satisfaction, but also with other aspects of the environment, such as thermal comfort – when people can control where they sit, they simply feel more comfortable.

"But adopting an activity-based strategic approach to work requires a plan for how to provide the right variety and balance of spaces; it is not a question of carpets, ceiling tiles or layout – it is much more fundamental than that."

You only have to read what users say about co-working spaces in Chapter 1, to know that what Jack says about taking an activity-based approach to providing spaces is why those environments are so popular. So why is it that co-working spaces seem to have space strategy nailed, yet corporate employers don't?

Striving for acoustic satisfaction

The topic of noise in the workplace is something we put to Jack Harvie-Clark, of Apex Acoustics. Jack is a member of the group working on a new international standard for the acoustics of open plan offices (ISO 22955).

"Traditionally in America they have cubicles, so everyone has their own space within one large space", he said, "but in this country we expect to have low screens between desks so that we can see across them. There are many different types of open plan space, and finding the right one is a process which starts from a company workplace strategy, rather than from interior design."

Noise, temperature and the need for personal space are the issues employees struggle with in open plan offices.

The issues which both staff and employers struggle with in open plan offices are clear from the results of our survey – noise, heat/cold (thermal comfort), the desire for personal space, and employers' need to make the best use of their space.

"The same amount of space can be used much more efficiently if it offers a range of spaces that can be used flexibly by staff – quiet

During the pandemic

In our second survey, run during the height of the first lockdown, we repeated our question asking what factor had the biggest impact – positively or negatively – on productivity. At that point the most frequently cited answers were around being distracted by the people we live with, but following that, respondents reported productivity being negatively affected by a lack of motivation and reduced contact with colleagues.

Of course, helping remote workers stay motivated is something many employers were thinking about long before the pandemic. This is what one of them said when we spoke at the beginning of 2020:

"Thank you for helping me to realise something – that remote workers miss out on treats. I had looked at your survey and been thinking about remote working when, after a really big team effort, I promised everyone in the office fish and chips for lunch. We have a remote worker and I phoned him and told him to get himself pizza or fish and chips on us for lunch – I didn't want him to miss out."
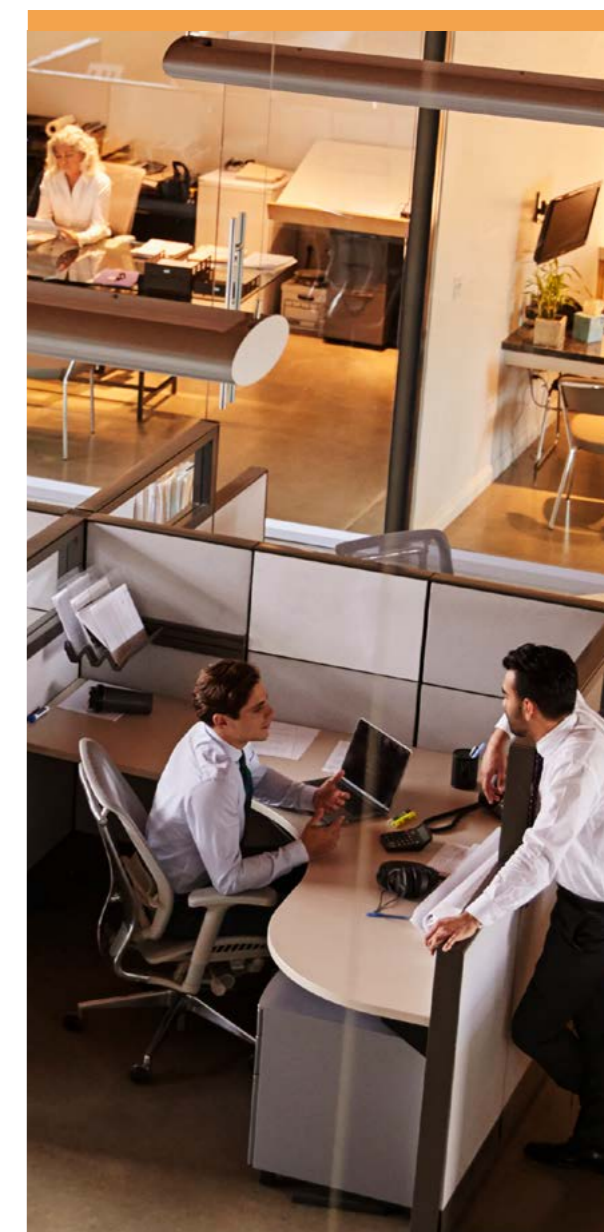
Down with hot desking?

Collaborative working is one of the things people are most concerned about missing out on when they work from home. As Claire Batsford says: "Working from home sometimes, gives me the kind of balance in my life that I want and gives me the chance to do the kind of work which needs quiet time without interruption. But remote workers don't develop at the same pace as people in a main office – they don't get the benefit of other people's experience or the chance to bounce ideas off people and get feedback straight away."

One solution aimed at facilitating opportunities for collaborative working is hot desking. Love it or loathe it, it's certainly a talking point.

At the time of writing, government guidance actively dissuades us from sharing hot desks[11] in order to limit the spread of Covid-19. As Kate Cooper, head of research, policy and standards at The Institute of Leadership & Management, quoted in Personnel Today, says: "By definition a hot desk environment provides less space than [the total number of] employees, which offers [a] cost saving. Yet there will always be days when there are peaks and more people come in than there is space. Before Covid-19, people shared desks, sat in unusual or shared spaces and managed as best they could. That is no longer a solution[12]."

Hot desking has always been a matter of much debate in offices up and down the country. When exploring reasons for why people seem to dislike hot desking, David Bellamy, Founder and CEO of Happiness Lab, a business dedicated to helping organisations to establish healthier, more productive cultures, says: "The lack of personal space associated with hot desking reduces our sense of belonging and connection to our workplace. If that's not enough, because it is normally accompanied with clear desk policies there's a compounding effect – removing our sense of individuality and lowering our status – from being human to a resource (or something like that). Having our own space with personal items is generally associated with a positive effect. Essentially, we're helping people create something that feels familiar, maybe a little like home."

> " In an open plan office, all the private meeting spaces designed to get people to work together collaboratively, suddenly become really important as a place to be alone. Getting the balance right in utility of space is challenging for any company, but when combined with open plan or hot desking, one of the common outcomes is that meeting rooms become rare or high value real estate. "
>
> David Bellamy, Founder and CEO of Happiness Lab

> " **The lack of personal space associated with hot desking reduces our sense of belonging and connection to our workplace.** "

This view is also expressed by Claire Batsford, who says: "In terms of office space, my experience is that hot desking and open plan spaces lead to high turnover of staff. I worked for an organisation which closed all its local offices and moved everyone to regional hubs or Head Office. No-one had their own desk and the effect was really clear – they had no attachment to the office because they couldn't personalise anything. It was noisy, impersonal and no-one felt they really belonged. It really impacted people's mental health and commitment levels."

It's clear from our pre-pandemic survey that people who have their own regular desk feel it positively affects their output. Indeed 17% of those that hot desk feel it has a negative impact. But if more employees are working from home more often in a post-Covid world, the desire for dedicated desk space for individuals when they are in the office, raises a key financial conflict.

Andy Dyke is Director of ICONICS, a firm which enables commercial real estate digital transformation by delivering software solutions to the intelligent buildings sector. Andy said: "When designing any office space there are always many stakeholders at play – the workforce this survey addresses is just one of those, and therefore there will be conflicting opinions.

"I think it's interesting that the first survey said more people want to work from home, but everyone wants their own desk. This will never wear for businesses trying to drive down commercial real estate costs and maximise space utilisation."

The increasing trend towards more home working and the financial need to make the most of the office floor space available will inevitably lead to a need for more flexible commercial leases and perhaps more businesses trying to get out of leases earlier than planned.

Future workspace leases

As businesses increasingly consider a more permanent shift to home working for some or all of their employees, we may well see a move away from large offices that accommodate all employees with space to spare to smaller offices that cannot accommodate all employees at once. At the same time, the trend towards shorter, more flexible leases is likely to continue.

If this is the case, the way that leases are documented may need to change. It can on occasions take a long time to negotiate a relatively simple 10 year lease that sets out the relevant rights and obligations of both parties and the resulting document can easily run to 80 pages. This is incompatible with the need for shorter, more flexible agreements.

The Model Commercial Lease (MCL) suite of documents provides the answer. It provides standardised leases that act as a starting point for the negotiation of important commercial and legal terms.

The MCL was originally commissioned by the British Property Federation and contributors included well-known law firms, clients and trade organisations. The MCL suite of documents aimed to achieve a balance between landlords' requirements to protect the capital value of their assets and the practical requirements of tenants' occupation. Precedent leases for office, retail, industrial, and food and drink are all available for free, together with ancillary documents.

Use of the MCL does not prevent law firms and their clients including their preferred amendments. It simply means that parties can see what has been changed from the standard position and then focus on the key points. In this way, agreement can be reached much more quickly.

I think it is an important step for the legal sector and reflects the needs of the market. Depending on the circumstances, the use of the MCL could be a good starting point.

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What can you do if you have a commercial lease you no longer want?

Many businesses will be looking at their office space in light of the shift to working from home. If you believe the shift is likely to be permanent and you will no longer need as much space as you did, you may be reconsidering the leases on your offices.

The first thing to do is check whether you have a break clause in your lease. About half the leases we deal with have such a clause.

If you have a break clause, this represents your best option for leaving early. The first step is to seek professional legal advice – break clauses are usually complex and there is a very technical process required to execute it. If the break clause is served incorrectly or there's a mistake on it, your ability to leave early may be lost, leaving you with a property you no longer require.

If you do not have a break clause, your other options for leaving a lease early would be to "assign" the lease to another party, sublet, or try to agree to hand it back to the landlord with a deed of surrender. These have varying advantages to them, especially around how much ongoing liability you may have for the remainder of the lease. When assessing your options for a lease exit, speak to your advisor as soon as possible, especially if you think you have a break right, as these dates are ones not to miss.

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With thanks to THP Chartered Surveyors for supplying this image

Mouldable, flexible space is king

To find out what businesses are looking for from their workspace today – and how that compares to yesterday and tomorrow – we spoke to Richard Crabb and Oliver Workman at THP Chartered Surveyors. We had our conversation before the pandemic hit. Since then, Oliver says: "What a difference a few months make. The thoughts that follow were pre-Covid and the world has since turned upside down. Just as people started to re-occupy offices they are once again being asked to stay away if they can, and it would be a brave person who tried to predict quite what is going to happen and when."

Richard and Oliver highlighted five important factors but said that while the fashions change, the fundamentals don't. Long term changes are likely, but they believe the underlying role of the office is not going away.

Oliver Workman, Partner,
THP Chartered Surveyers

Richard Crabb, Partner,
THP Chartered Surveyers

Oliver comments: "For some businesses it is important to have something stylish and a town centre location that looks the part. But if you have staff who are in and out of the office regularly, easy access and allocated parking is a critical factor. In this case, a business park might be the answer."

A space that expresses the personality of the business

Both Richard and Oliver say they're seeing a shift towards spaces that offer more character. It's a shift that shows how businesses see their premises as an extension of their brand and what it stands for.
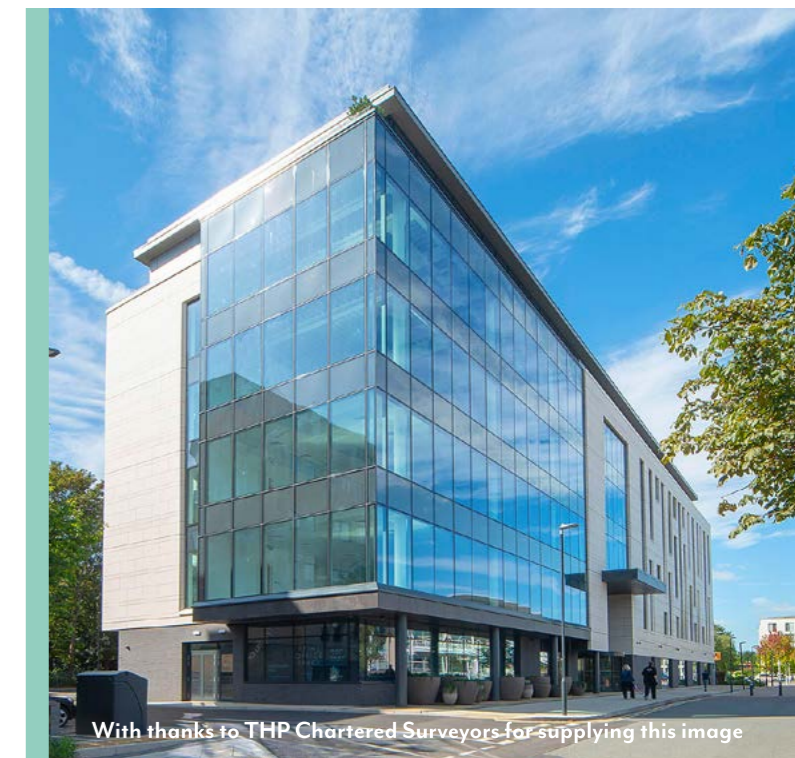
Richard says: "Previously there was always a demand for a clean, crisp box with raised floors and suspended ceilings that hid all the services. That's changing. These days, people are interested in space that is a little bit more quirky – exposed brick and exposed services, for example."

> " **For some businesses it is important to have something stylish and a town centre location that looks the part.** "

A flexible, open plan space gives a business options

When we asked Richard and Oliver what their clients were looking from their office space, the answer came back loud and clear. Oliver said: "Whether we're talking to the office manager, the managing director or the financial director, the first thing they're after is a modern, open plan space they can mould into what they want it to be."

The office as a staff perk

The other benefit of an office is as a staff perk – the right office space is an extra way to attract and retain staff. Richard says: "It's a competitive marketplace, most businesses are competing over a finite pool of staff. They want to keep the conditions and the environment for their staff as good as possible because they're fearful of losing them."

For this reason, spaces are tending to become plusher than they would have been in the past. There is also a shift towards creating break-out areas or social spaces where staff can interact. Richard says: "We're all in work for a long time every day. Businesses want to create more interesting environments that look a bit nicer because they see the staff will buy into it as well."

It's all about location, location, location

After the space itself, it's the location that matters most.

Richard and Oliver say that different areas have different trends. In some towns, businesses tend to want to locate in the town centre. In others, out-of-town developments are preferable.

However, the critical factor when it comes to location is practicality. A town location might be an essential requirement for some businesses. For others, a business park location is a necessity.

> " **We're all in work for a long time every day. Businesses want to create more interesting environments that look a bit nicer because they see the staff will buy into it as well.** "

The cost of office space

While the type of space, its location and its appearance are all important, they all have to be balanced against cost. Richard and Oliver both say that in some cases, businesses are happy to pay a premium for a town centre, high specification space because that's what fits their brand and their aspirations. Others will make a trade-off between a lower specification building in a premium location or a higher specification in a slightly less desirable location.

Aside from the cost of space, Richard and Oliver both see a big change in the length of leases. Oliver says: "In the past, people were wanting to be somewhere for as long as 30 years. But I can't remember the last time we were asked about a lease any longer than 15 years. And we'll be asked to look at break clauses at five and 10 years."

The future: fashions change; fundamentals don't

We've heard a lot about the changing face of work in the last few years with the rise of home working and flexible working. But Richard and Oliver say the shift hasn't affected what businesses are looking for as much as you'd expect. Richard says: "You look at pictures of space from 30 or 40 years ago and the lights have changed and the ceiling style's changed and the carpet's changed. The desks might be bigger and there might be fewer break-out spaces, but the fundamentals are actually pretty much the same. You need an environment for people to work in."

Oliver says changes in technology may mean the requirements for power distribution and cabling become less important in the future, which would mean a big shift in the service requirements for the space.

Richard concludes: "We will see it evolving and changing and shifting. But fundamentally, that physical space that people want at a certain size, that will still be there. Quite how they use it will shift and mould a bit, but I don't think the whole model is going to break apart."

Creating or altering an innovative space? Seek advice early on

When it comes to creating innovative office spaces it's important to understand your objectives and to get your legal team on board with these early on. It means we can support you and make sure your lease gives you what you need it to.

In particular, if you're planning to change a space or do anything out-of-the-ordinary, it is important that your legal team are aware of this. Leases will include restrictions on what you can do with the property which need to be carefully considered and negotiated. For example where physical works need to be undertaken, understanding if this is permitted and if the landlord's consent is needed. If it is, then you will want to ensure that this is dealt with at the outset as part of the lease negotiations, to save time and money later on.

In addition leases will usually restrict the use of the property and the ability to share the space with others. If we better understand your plans then we can ensure that these are taken into account when it comes to negotiating these lease provisions, making sure you don't get tripped up and your project can move forward.

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Commercial leases – it's good to talk

Our advice has always been that landlords and tenants need to communicate regularly and work together, and the pandemic has really brought the need for honest and open conversation home.

It is hard not to sympathise with businesses who have faced lost revenue, but many landlords will have felt hard done by during the pandemic in being unable to pursue non-payment of rent in the usual way.

To help facilitate positive commercial property relationships, on 19 June 2020 the UK Government published a code of practice designed to encourage conversations and protect parties both sides of the fence.

Essentially, it encourages tenants to:

- Pay if they can
- If they cannot, to be transparent and discuss alternative solutions
- Continue paying service charges and insurance
- Remember that they remain liable for all obligations
- Use any Government support payments to pay arrears.

And encourages landlords to:

- Make reasonable concessions, or explain refusals
- Consider rent-free periods, deferrals, stop interest, change schedules, and use deposits.

With many tenants now adopting some home working and considering whether they will need the amount space they may previously have occupied, this approach to landlord and tenant partnership working and communication will surely help both sides move forward positively.

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From fresh air to parking – what do people want most from their workspace?

Before the pandemic

We asked respondents to rate a series of 'features' in terms of importance to them. This linked back to us wanting to explore the hypothesis that 'quirky' spaces impact productivity. We offered a range of features for respondents to rate from a games area or bar, to storage space for work items. The list comprised choices from our own perceptions of what is potentially a bit 'different' and innovative, to what could be considered to be very dull yet practical aspects – we recognise the limitations in this respect. The results were pretty unsurprising. People want their own desk!

Most important office/ workspace features to the current workforce

The chart shows the number of people that chose each feature as the most important to them in their workspace.
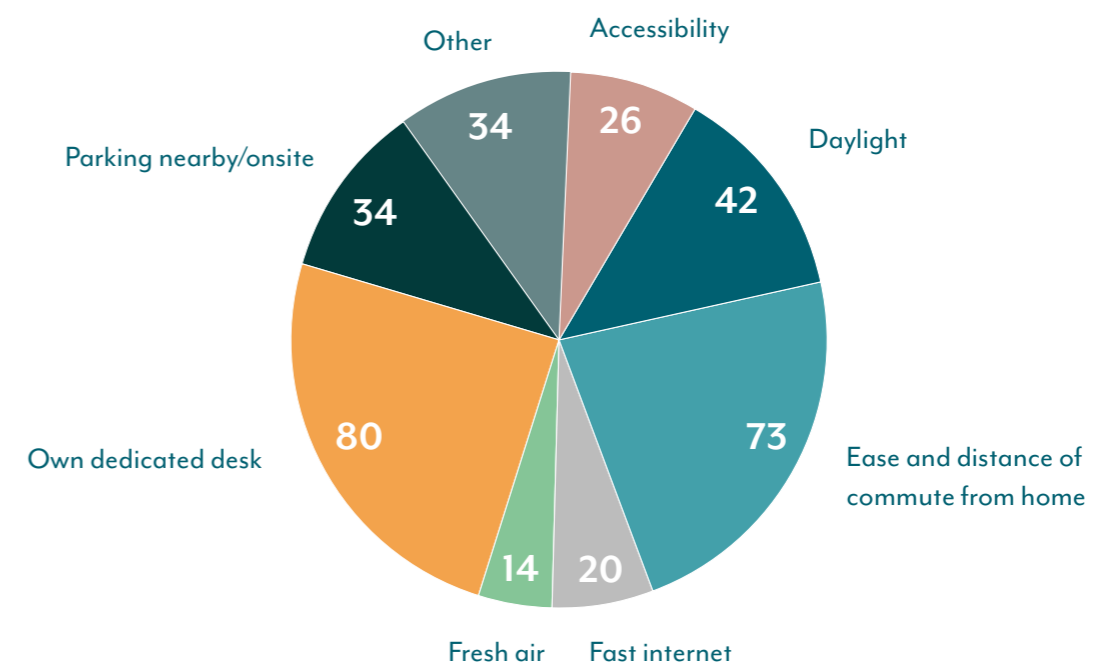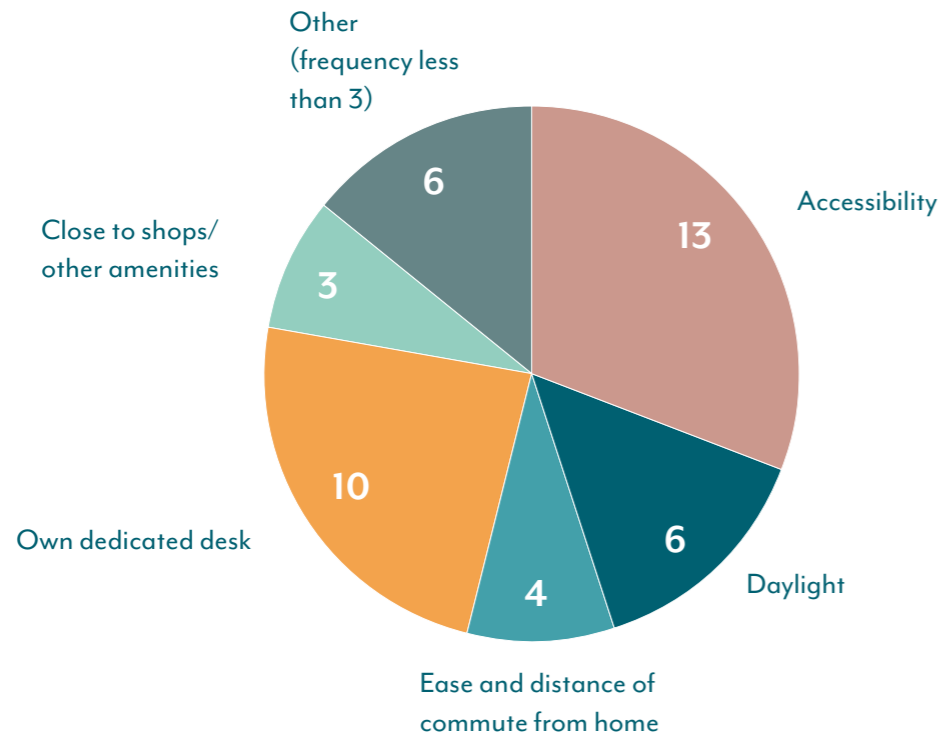

We asked employers the same question but in relation to what they thought was most important to their employees, and to the employees of the future.

As only 42 employers gave answers we can't draw any statistically significant conclusions. However, we can see that there are similarities in what the workforce want from where they work, and what employers think they want from where they work. Employers know that people want their own desks, yet the trend for hot desks continues to rise. It's an interesting conflict.
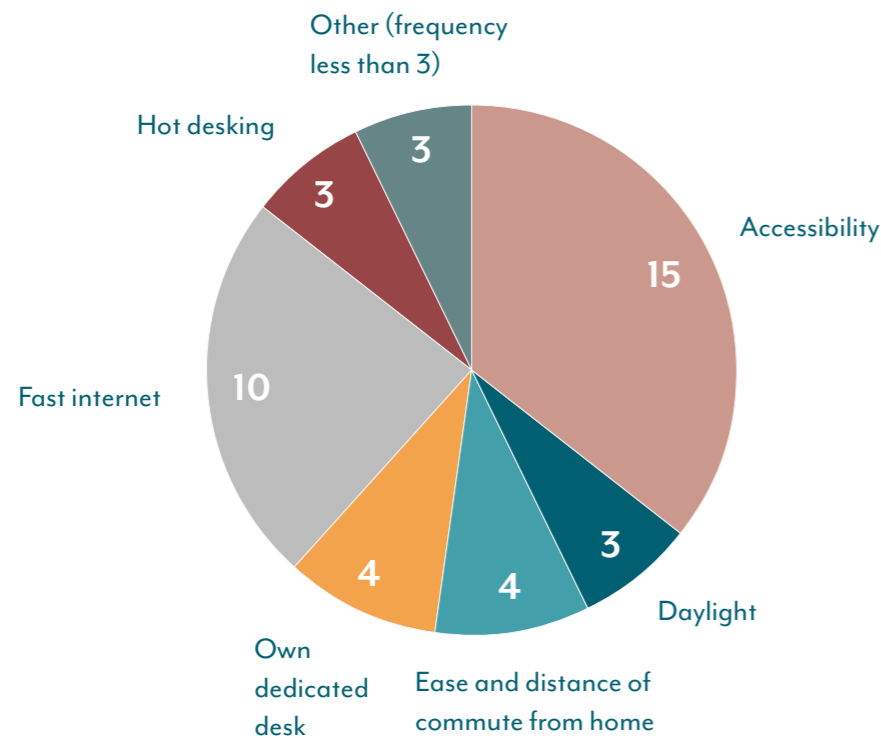
What features do employers think their employees want in the workspace?

The chart shows the number of employers that chose each feature as the most important to their employees.
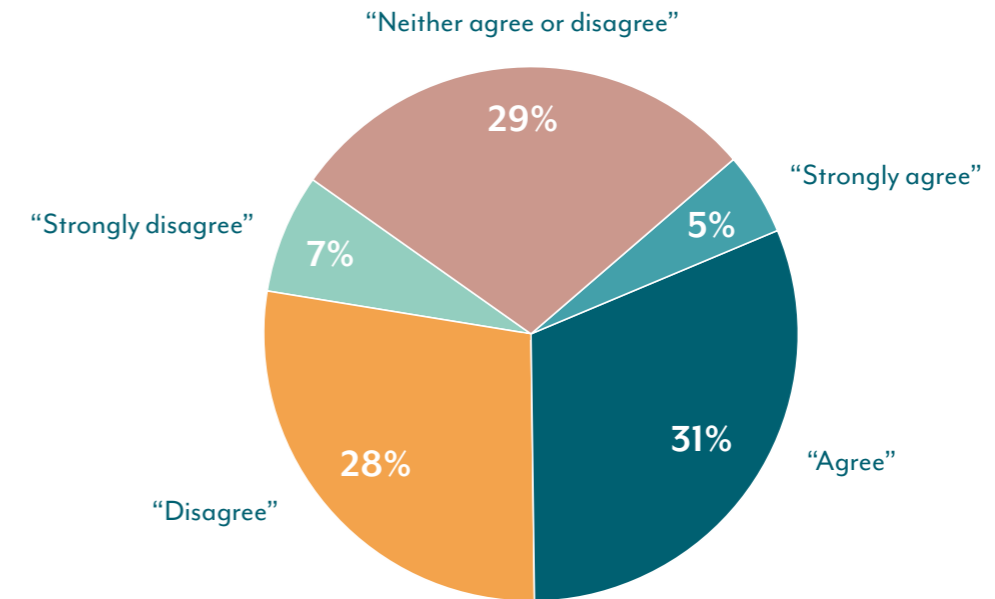
Other
(frequency less
than 3)
6

Close to shops/
other amenities
3

13 Accessibility

Own dedicated desk
10

4

6 Daylight

Ease and distance of
commute from home

What features do employers think the employees of the future want in the workspace?

The chart shows the number of employers that chose each feature as the most important to the workforce of the future.

Other (frequency
less than 3)
3

Hot desking
3

15 Accessibility

Fast internet
10

4   **4**   **3** Daylight

Own
dedicated
desk

Ease and distance of
commute from home

Are quirks perks?

Our workspaces are as important as the company or the job.

We asked the extent to which people agreed with the following statement:

"Workspace factors are less important to me than the company and the job"

"Neither agree or disagree"
29%

"Strongly disagree"
7%

5% "Strongly agree"

28%   **31%** "Agree"

"Disagree"

What's clear from this question is that opinion is split down the middle. Certainly one firm that sees their premises as an extension of their brand and therefore as a potential perk for employees, is SLG. We asked them about the unique space they've created near the high street in Cheltenham's town centre.

SLG★

With thanks to SLG for supplying this image

With thanks to SLG for supplying this image

Interview with Sue Davies of SLG

Q: Tell us about the space you've created

A. It's a 30 square foot open plan space resembling the big idea interior aesthetics of a Californian tech company or a New York loft space advertising agency.

The space includes a diner bar, break out area complete with palm trees and pin ball machine, street-art murals and graffiti ceilings, a series of designer hammocks, a skateboard "freeway" that runs the full length of the office and a "bleachers-style" event space with media wall.

Q: Why did you choose to include the elements you have included?

A. There are a number of break out areas where staff can get away from their desk, ranging from hammocks and areas of relaxed seating and meeting spaces to the informality of the "shoes-off" chilli bean room for quiet thinking, time away from desks and more informal meetings, through to a formal boardroom featuring a very non-corporate graffiti ceiling.

The bar and social area known as "The Pavillion" and our American College inspired "Bleachers" is a great space for bringing together staff who wouldn't normally interact or socialise with each other, and provides an amazing venue for staff meetings and events as well as a few after hours activities such as payday F'yay drinks and weekly yoga.

Great emphasis has been placed on the planting within the building from both an aesthetics and execution of creative vision perspective, as well as the positive benefit on productivity, reduced sickness and absence and general staff wellbeing of biophilia in the workplace.

Q: How receptive were your stakeholders to your ideas before they came to fruition?

A. The multi-million pound fit out scheme was versioned by the in-house creative team at SLG and designed and built by leading London interior design firm, Modus Workspace.

Even for a firm of Modus' standing, it was fairly unique – particularly for a town such as Cheltenham and located in a high street in space that was originally destined for a retail outlet. For Modus, having a client with real vision and a great story to tell really helped, and starting with an empty concrete shell gave them a great blank canvas to begin with.

After initial reservations around the future potential of the space on expiry of the SLG lease, our landlords were very quickly on board and suitably wowed by our vision and plans, and we are now frequently their first port of call for reference visits for potential new tenants.

> " We are really pleased to have broken the mould in terms of how a regional interior space should be executed. The aim was to create an inspiring alternative world for our staff and reward their amazing work with an amazing office environment. "
>
> Miles Dunkley, CEO of SLG

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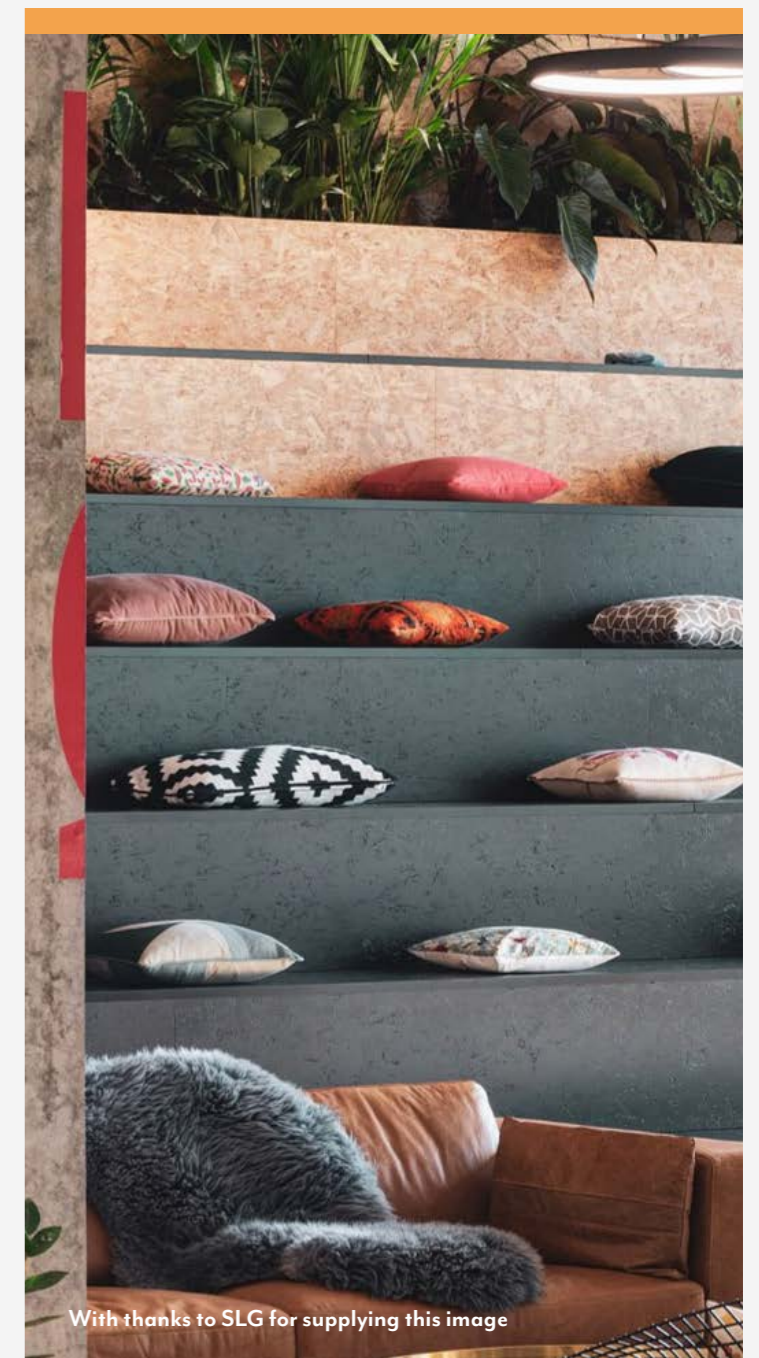
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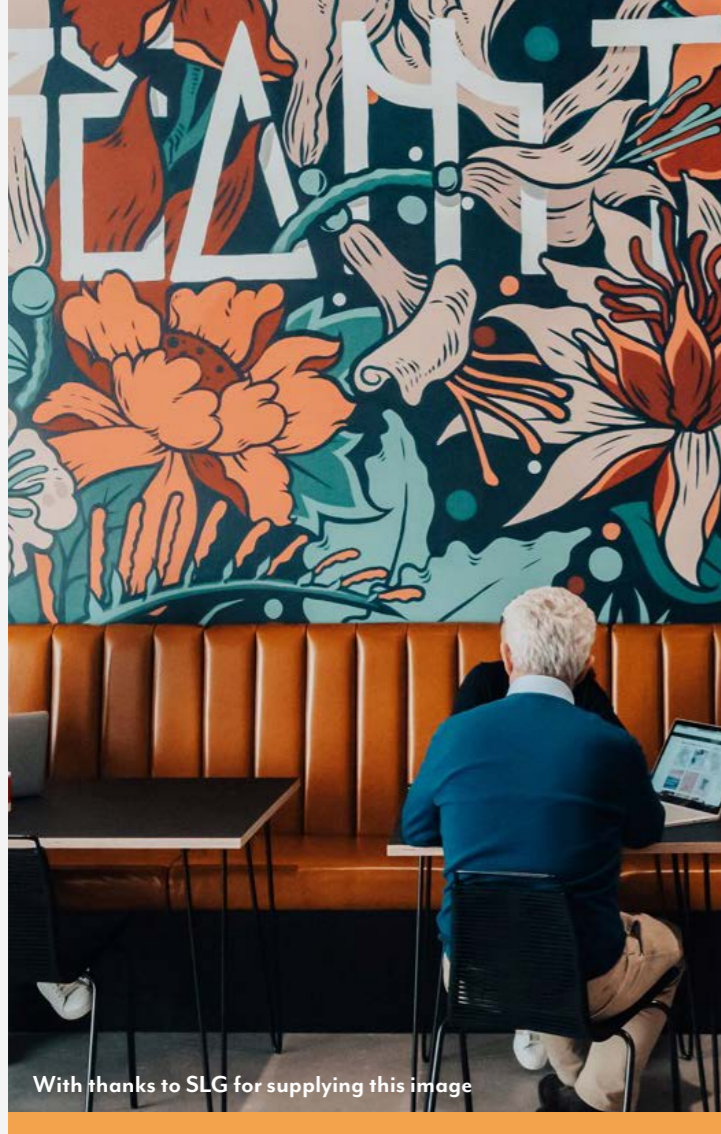
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Q: What are the benefits/ what's different as a result?

A. We really wanted our workspace to express who we are – highly creative, fashion forward. There is a real buzz and vibrancy throughout the office.

The open plan layout where we have all staff consolidated on one site has vastly improved communication, team working and contributed to a reduction in email traffic, which is a key target for us.

The excitement around opportunities to work in such an amazing workspace has also significantly aided our recruitment activities over the last twelve months, where we have seen a significant increase in direct applicants and approaches for any new roles we are looking to fill.

Q: Is there anything you'd do differently if you were starting the project again?

A. Very little apart from a few small areas of "style over function" such as equipment in the welfare area where we possibly opted for kit that ticked the design (and cost) boxes over heavier duty commercial options, our dishwashers being the one that springs to mind here most. Having said that, teething issues in the first twelve months have been very minor on the whole.

Q: Did you encounter any difficulties with the process of changing the use of the space from what it was previously, to your offices, e.g. planning applications/ lease agreements?

A. Nothing significant – we worked on an incredibly tight time frame for a build of this size, from our initial viewing of the site in mid-February 2018 and work commencing on site by Modus in early September 2018.

> " Spend time and energy getting your design and build team right before you start and make sure that your vision is aligned. "

Q: If you had to give three pieces of advice to a business owner embarking on a space renovation/ innovation project, what would you say?

1 Spend time and energy getting your design and build team right before you start and make sure that your vision is aligned.

2 A great project manager for a build of this size is imperative.

3 Small touches that will resonate with staff, e.g. our graffiti memorial remembering colleagues who are sadly no longer with us, a cool bar and welfare area are great, but also don't forget the practical essentials such as adequate desk space, storage and conveniently located shared facilities. No-one wants to traverse the full length of a 30 sq ft office each time they want to collect a piece of printing.

> "There are a number of break out areas where staff can get away from their desk, ranging from hammocks and areas of relaxed seating and meeting spaces to the informality of the "shoes-off" chilli bean room for quiet thinking, time away from desks and more informal meetings, through to a formal boardroom featuring a very non-corporate graffiti ceiling."

Quirky office space? Don't get caught out

Nobody wants to dampen the enthusiasm for creating innovative office spaces, but it's important to ensure that in making changes, you are not creating a problem for yourself by breaching the lease or inadvertently increasing your liabilities to the landlord when you yield up the lease in several years' time. Set out below are a few considerations to bear in mind.

In the first instance, you need to understand what is included within your demise. For example windows, ceiling voids or areas below a floating floor. You will also need to check if there are other restrictions, e.g. if it's in a conservation area. Depending on the circumstances, your ability to make changes may be heavily restricted and the administrative burden required before you undertake the works may be increased.

Next you need to establish if an application for consent from the landlord is required. It is common for tenants to be able to undertake 'nonstructural alterations' without reference to the landlord, but you will need to check what your lease says on the subject.

If in doubt, an application to the landlord should be submitted. This should be supported by scale plans showing what is intended and where it will be installed. The landlord is entitled to a 'reasonable period' to consider the application and you will need to build this into your project plan. If a licence to consent is required you must ensure there is clarity about what will happen at lease expiry. Getting that wrong can be costly when it's time to exit.

If you are looking at an area outside of your demise, you will need to negotiate additional rights with the landlord. An allotment on the roof may be easy to install for example, but your access rights to the roof may be limited to the maintenance of service plant situated there. If other tenants also have access rights, ensure that your proposed use won't be disturbed by their rights.

One final thought is about the contractor employed to undertake the changes for you. If you are looking at new or untested technologies make sure you obtain references and check the solvency of the company. If they are the only company that can properly remove the installation for you in five years' time, your exposure could increase if they are no longer available to assist you with that process.

Natalie Minott, Partner, Dispute Resolution
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Our findings on the future of office spaces

Anthony Goodfellow, Partner, Head of Real Estate, Hereford and Wye Valley

"Many employees and staff have had to make changes to their home in order to work effectively. Some have created an office in a spare room or even gone as far to use or convert a garden room. For those without a spare room, it can be more difficult to create an effective space to work from.

Working from home can of course provide staff with more flexibility and other benefits but there can also be a negative impact with staff not having as much of a separation between the home and the office. It will be interesting to see how the home will change in the future and whether a larger garden or a spare room (to accommodate home working) will continue to be high priorities for potential buyers."

Mark Carter, Partner, Head of Real Estate Cheltenham

"The pandemic has accelerated conversations that were already underway as to how we can best use our office space and has put a more flexible approach to home working on the agenda. There will always be a need for a positive workspace and for many in my own team having a space of their own at work will still be important. As we look to refurbish our own premises we face the exciting prospect of designing our own space which embraces the changes we are seeing."

Natalie Minott, Partner, Dispute Resolution

"They say 'an Englishman's home is his castle', and whilst you may wonder what that has to do with the office, what I have come to appreciate is that a lot of comfort comes from having your own corner of the office that is yours. Whether it is about ownership, or just about the familiarity of routine (how many of us would head for the same seat on a train for their commute, or the same locker at the gym?) it is clear that from those habits comes increased productivity. For me, the employer that finds a way to combine these behavioural traits with a flexible working space, will be the employer that succeeds."

Philip Parkinson, Partner, Head of Real Estate in Worcester and London

"I strongly believe how we work in offices will evolve. I believe that most successful businesses will keep a physical office with the majority of employees working flexibly between the office and home. I think the days of us having our own dedicated desk and space are numbered. "Hotel desking" or hot desking, paperless, flexible working within the office and at home will be the key for a more agile, modern workforce. The design of offices will need to focus on encouraging creativity, team cohesion, support, drive and inclusion. We will all become more accustomed to analysing our jobs as being a range of tasks, and picking the most appropriate workspace, whether home or office, to undertake each of those tasks each week."

Michael Stokes, our head of employment, foresees another challenge altogether:

"Talent development is almost impossible to do from a distance. Experiential learning, not to mention job shadowing, is so key to the development of junior staff that it would become a roadblock in a 100% work-from-home society. 2021 needs to see some return to what was previously the norm, for the sake of the next generation of workers."

But to work, next year's offices need to face two major issues, says Kelly:

"The first is hyper-flexibility. We need larger, project-based rooms which focus on collaboration and the things you can't get at home. Overspill areas to facilitate those magic moments. Flexible and adaptable environments, like moving walls. Fewer individual workspaces, more zoned spaces for groups and more ways to use these spaces.

"The second is de-stressors. We are living through the most stressful sustained period of most of our lives, and we don't need to be reminded of this every time we look up and see a plastic screen. Alternative seating arrangements negate the need for this. Softer acoustics will boost wellbeing. More biophilic design, which uses the inherently calming elements of nature, can help keep us positive, productive, and effective. These are small changes, with big impacts, beyond the immediate health concerns."

Chapter four – Post-Covid gazing

What do post-Covid offices need to look and feel like?
– the view from an office designer and an architect

As it stands, both employers and employees are enjoying gains from the work-from-home scenario.

So why, if at all, do we need to return to the office? And if we do, what needs to change?

Employers need to entice their staff back to the office

We all have unique needs, but there is one thing that unites us all: we are social creatures. We operate best when we feel a sense of belonging, of purpose, and of place. And through this some of us develop lasting friendships, some of us produce better results when we collaborate, and some of us learn best when we can see our mentors in action. But what these things all have in common is that they are face-to-face engagements.

We asked Kelly Stanton, Head of Design for professional consultancy firm Novus, for her take on the 2021 office:

"Consider where the magic used to happen in your work days, and where it's missing now. Do you remember those big meetings, where a few of you would stay behind afterwards, to debrief and continue the conversation? That's where the real collaboration was, and where the best ideas were generated. You can't do that on Zoom. The end of a call is the end of a call. There is no stolen space for informal interaction."

Kelly Stanton, Head of Design for
professional consultancy firm Novus

> **The cost and 'right sizing' of operational space remain important but maximising the collaborative nature of a good working environment and staff wellbeing are now the key factors determining choice of office space.**
>
> Stephen Head, Director (Offices & Industrial), Hicks Baker

How to do business in a new business world

Whatever a post-pandemic world looks like, it won't look the same. We are more likely to step into a hybrid world, where working from home no longer carries a stigma and is part of the normal working pattern of the world.

But our experience will also shape the activities we carry out whilst in the office. Video conferencing, for example, is unlikely to be consigned to a remote working tool. It provides opportunities to employ workers from further afield, to operate virtual events to a wider audience, and of course to endure any future health crises. But very few modern offices are equipped with the space and technology to deliver an experience that rivals face-to-face meetings, so will we see larger video suites with huge screens, and proper audio set-ups?

After all, there will probably be space for them.

Because we now know that collaboration is difficult at home, but that the thought-heavy work is easier. So if we're only going into the office for team work, that negates the need for rows upon rows of desks, hot or otherwise. And it negates the need for clusters of small interview rooms too.

Nick Pell, Architect at Aukett Swanke, shares his view on what else might replace the old way:

"The new workplace will be designed as a series of flexible and adaptable environments with a predominance of work-settings and spaces focussed on group activities, with fewer individual 'workstations' than in pre-Covid times. Also, more now than ever before, an increased quality of workplace will be required to attract staff to attend. Pre-Covid, many organisations already practiced some form of 'agility' for staff in the workplace, or at least were evolving culturally and physically towards doing so. Now, it will be a necessity."

Kelly Stanton again, with the core of the matter:

"The conversation needs to shift from a 'where do I belong?' to a 'where do we belong?' As employees, we are all part of a whole, and that's what a successful company is: a group of people who are greater than the sum of their parts. The onus is now on businesses to revive this sentiment, in a challenging new context."

Need to raise finance for your workspace innovation? Here are our five top tips:

1. The ability of a business to raise finance, in the majority of cases, depends on the assets available to a lender against which it can secure its lending. Consider freehold or leasehold property, debtor book or inventory and whether such assets are already charged to any prior funder. This will determine the type of lending available (property finance, asset finance or invoice finance). If the business owns its own property, consider if a sale and leaseback provide sufficient funding for future growth.

2. Lenders back good people. The credibility of the management team is crucial. Does the business have a good story to tell? Where has the business come from and where is it going? A business that can demonstrate a good track record of growth and has the ambition and commitment – based on a strong business plan with milestones and KPIs – to develop and grow to the next level is more likely to be attractive to and secure funding from investors/ lenders.

3. Whilst your existing bank is an obvious first port of call, also consider other sources of funding such as additional equity investment, issue of loan notes or bonds, high net worth investors, crowd funding, alternative lenders and grant funding.

4. Lenders will pay close attention to a business' financial health and therefore the quality of information you provide to them is key.

5. Be clear on your funding requirement including how long it is needed for, as this will impact the type of funding and security required.

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Big lessons learnt from big changes

Organisational change is disruptive, in every sense of the word.

Welcomed and feared in equal measure, the process requires crystal-clear planning and careful management. But executed successfully, it can radically transform a business' fortunes.

We spoke to Anthony Inglese, CB, formerly Head of Legal at HMRC and an advisor to Simmons and Simmons on government work, about his hard-earned lessons on how to engage people in workspace changes, and smooth the change process:

1. Appoint a senior leader to own the entire change project. Enable every member of staff to engage with the process via representative groups, comprising people who understand your culture, are realistic about your plans, and will help lead the process at ground level.

2. At this ground level, ensure that you build in enough leeway for people to negotiate how the change will affect them. Respect the needs of individuals, teams, and clients.

3. Attend carefully to communications. They must be regular, honest, and two-way. Coordinate them with actions and support them with a combination of open meetings (large and small) and written communications, to suit all styles of giving and receiving information. Constantly remind people why this change is important, and what the organisation is aiming to achieve. Don't overclaim the advantages of change, and don't over criticise the current situation.

4. Take account the psychology of change, and of how people tend to move through its stages (shock, anger, denial, negotiation, acceptance). Leaders, be aware that you often progress more quickly through these stages than your people, so consider the appropriateness of the tone and content of your communications.

5. Ask somebody at senior level to champion the change with heart and mind, somebody who is genuinely in favour of it, can see the opportunities, and will identify and encourage other champions.

6. Leaders, don't assume you will have all the answers yourself, or that you are at fault if you do not. Draw on help from other players in the process, it's a team effort.
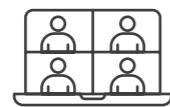
Chapter five — Conclusions and final observations

During the pandemic

91% of people said they like or love working from home

72% of respondents agreed with the statement: "I hope to continue to work from home more than I used to, when we 'return to normal'"

But what do people miss when they're not in the office?

44% of people said they miss the atmosphere and the people

So how can we facilitate our need for human contact within the workspaces we create for the future?

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Here's what employers think

"The impact of Covid-19 related lockdowns in 2020 has given us the opportunity to experiment and change the way we work together and utilise our office space. We have learned that, in most scenarios, we can be equally, if not more productive when working from home, whilst other tasks are more effectively completed in person. We also know from talking to our team that for various reasons, around 10% of them would prefer returning to 5 days a week in the office when restrictions are lifted.

"Taking all of this into account, we are reducing our office space by a third. This will provide enough space for those who need to come into the office every day, plus extra space for those situations or meetings that are better covered in an office setting. In the short to medium term, the majority of our team will continue to work from home as their primary 'basecamp', going into the office as required, likely to average up to 2 days a week."

Garreth Griffith, Chief Risk Officer & Chief Impact Officer, Habito

"We have around fifty office staff and before the pandemic home working was not a regular part of the conversation for us. Covid-19 has had a dramatic impact on this, and with home working now a regular part of working life we expect to open up an ongoing conversation with staff with many wanting to take up the benefit of a more flexible approach. As an employer it is up to us to adapt to this new approach although it will present its own challenges as we look to plan space for the future."

Peter Gardiner, Director, Gardiner Bros

"What developers are asking us to do now, is show on our residential development plans, where we've allowed for home working to take place, so that additional data points etc. can be put in. We're seeing a trend for co-living apartments, where residents have their own bedroom, but share bigger kitchen, social and home working spaces. We have also seen developers buying up smaller hotels and converting them to flats."

Ian Allerston, Director, DHA Architects

"Before the first lockdown we were sceptical about home working. We questioned whether our staff would be effective at home, so allowed it by exception. When lockdown hit, we quickly transitioned to full home working and were pleasantly surprised by what happened. After an initial drop-off in productivity and communications, we then saw an uplift in staff engagement.

"However, after a few months had passed we found our people, especially the younger workers, wanted to come back to the office. We made it Covid-safe and introduced new policies. Our teams told us they missed the banter, atmosphere and group dynamic of being together in the same place. We now have a hybrid approach and output has significantly increased."

Mark Smith, Managing Director, Level Peaks Associates Ltd.

"Productivity was reduced for many staff working from home during this unprecedented time, mainly as we have a very young workforce and it has been an enforced situation with no release in the evenings. In 'normal times' as we are now set up for home working and if the manager feels it will benefit the staff members' health and welfare and they can be productive, then we will accommodate some home working. We feel we can happily reach a good working compromise to keep staff happy and maintain productivity."

Jane Morcom, Group Business Director, Centrick

"We are not looking to offer our teams the opportunity to work from home post-Covid. It doesn't suit our business and we have found that productivity dips when the teams are not working from the head office. Being together means they benefit from being part of an established, reliable team. Like-minded individuals working collaboratively always achieve more."

Sue Fraser, Operations Director, Prosperity Wealth

"We feel overwhelmingly positive about the change to working patterns that the pandemic has brought about. Previously business meetings always demanded long drives and days out but meeting by Zoom or Teams is far more efficient and has had a really positive impact for our sales teams.

"Overall our staff have adapted incredibly well to working in an agile and flexible way and this has enabled them to be much more results focussed. People in other teams such as accounts or admin appreciate office time for those day-to-day queries and are now finding that a mixture of home and office working is very positive for them."

Tony Markey, Co-owner and Director, Markey Group

"Around two thirds of colleagues are now expressing a wish for more flexible working in the future, driven by their recent experience. What is also clear is that 100% recognise that a move to 100% remote working won't work.

"Everyone being in the office for at least some of the working week is needed to cover the six C's: 'collaboration, creativity, cohesion, coaching, culture, and chat'. It is these issues that make the working world go around. Ignoring the soft issues and concentrating on just the advantages or just the hard productivity and budget issues will, we believe, not work for a sustainable working future."

Mike Kirsopp, CEO, Cambridge & Counties Bank

We believe there are some key themes that are not being addressed by employers.

Flexible working requires agile minds, policies and resources. Are businesses ready to be truly flexible, or just paying lip service?

The exceptional circumstances of 2020 led to a government directive to "work from home if you can", which, in a single stroke, accelerated take-up of a provision in law regarding flexible working, that's been in place since 2002.

These emergency measures were widely embraced. We shared a common interest in keeping ourselves and our families safe by staying at home, and endeavouring to keep the wheels turning on our businesses, to protect jobs.

Now, as we plan for a future free from enforced lockdowns, businesses must re-assess the freedoms and responsibilities that form part of the 'bond' between employer and employee. Ill-defined policies and out-dated office cultures may contribute to workplace tensions, where the implementation of flexible working policies appear to be inconsistent. Employees may reasonably think that they've proven they can work from home effectively during Covid, so why would an employer deny a request to make this arrangement permanent?

Meanwhile, employers wrestling with the challenge of increasing productivity as they seek to regain ground lost to the economic impacts of 2020, may want to bring people back to the office, to re-group and re-focus.

So, how can businesses steer through this impasse? First, it's helpful to review and refresh remote-working policies to ensure they are explicit, with clear boundaries, taking account of Covid-related changes in work patterns. Flexible working is not just about location, but the number of hours worked or the patterns of when those hours are delivered. Can a fixed rota of days for remote working, really be considered flexible?

Next, have management skills and methods of measuring productivity kept pace with the rapid switch towards remote working? Supporting the development of strong management skills throughout the organisation can have a transformational effect on both productivity and wellbeing.

Finally, while clear policies for flexible working are imperative, there is also a cultural aspect. The 'fear of letting go' can lead to poor decisions by employers, bad feeling and, in the most severe cases, employment tribunals where the employee feels their request has been unfairly denied. Strong cultural values and a clear vision, understood and shared by all, helps to strengthen the bond between employers and employees, beyond contractual obligations.

Flexible working is not flexible

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Mind the gap: is home working bad for our health?

The best of both worlds? Or a gap that people may fall through? Embracing a long-term hybrid model, which blends remote working with time in the office, poses a dual challenge to businesses.

Employers must manage risks to staff wellbeing from remote working and improve their post-Covid office workspaces, if they are to create healthy environments that entice people back into the office and in which their people will thrive and be productive.

Our research suggests that an increasing number of people who work from home feel that it negatively impacts on their wellbeing. Surveys conducted in 2019 prior to Covid and then repeated during the lockdown in May 2020, found that those who expressed positive impacts on their wellbeing when working at home fell from 75% to 61%.

Compounding this, respondents who said they felt home working had a negative effect on their wellbeing grew significantly, from just 3% in the first survey, to 17% when asked again this year.

So, while working from home has many benefits, it is not a panacea. Even as the extraordinary pressures of home working during the pandemic begin to subside in 2021, we should be mindful that remote working requires 'active' management, great communication, and clear expectations.

While 2020 necessitated the largest work-from-home-experiment ever conducted, it also forced firms to re-assess their office spaces to adhere to social distancing. Re-calculating maximum numbers in meeting rooms, positioning of desks, the flow of people through communal areas; the practicalities of becoming Covid-secure required thought and, for many, a degree of cost.

Designing healthy workspaces takes on new significance today. But there are conflicts; the need to accommodate fewer employees day-to-day requires less floorspace, presenting an opportunity to reduce overheads in smaller premises. Yet hot desking, where desks are not designated to an individual, are currently discouraged in government health advice and unpopular with employees, according to our research.

Understandably, many office refurb projects were cancelled in 2020. Designing healthy and productive workspaces may have slipped down the agenda, but our long-term success depends on getting this right. In 2021, we encourage employers to take a holistic view of future workspace planning and expenditure, that integrates provision for home and corporate office requirements.

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Cyber risk is the next pandemic

Levels of cybercrime increased exponentially during lockdown, as hackers took advantage of the weakened digital defences of home-workers.

While this doesn't compare to the severity of human loss during the pandemic, it nevertheless shares some characteristics; the scale that crosses geographical boundaries; the potential social and financial impacts from business disruption; and the fundamental requirement for behavioural change to reduce this risk.

The move towards regular remote-working presents some key challenges for employers to address.

As firms develop plans for infrastructure and IT investment, this should include appropriate provision of equipment for flexible working. The widespread use of personal phones, laptops and home broadband create weak points into the company's systems. Flexible work patterns may also encourage the use of co-working spaces external to the company. While there are lots of positives from using these spaces, shared internet access and the opportunity for eavesdropping increase vulnerability to cybercrime. In some cases, remote working may even be from overseas, bouncing data around internationally.

Crucially, the risk - and the solution - lies as much in cultural behaviours, as it does in 'kit'. Organisations often prioritise the technical aspects of IT infrastructure, delegated to IT teams, with little attention given to company-wide behaviours. Training and internal communications campaigns can help to reinforce tips for safe practice, at home, in a co-working space and in the office.

The challenges and solutions we've described rest with each organisation. But, just as with a health pandemic, there is a crucial role to be played by national agencies too. At a state-level, we need to see a shift in the way that cybercrime is policed, if it is to be more effective and efficient. While national and international security agencies are rightly focused on the threat from cyber terrorism, the more grassroots hacks and disruptions experienced by businesses every day, are potential crimes that would fall under local police authorities. Some police forces have specialist cybercrime units, others do not. If we fail to adequately monitor, measure and report crime, it is difficult to allocate appropriate resources to its detection and prevention.

For now, as businesses plan their future workspaces for 2021 and beyond, our message is clear; think culture as well as kit. We must protect ourselves and each other.

#futureworkspaces

Off camera: the invisible bias of remote working

The rapid roll-out of flexible working in response to Covid-19 has had many positive impacts. But, if we're not careful, its long-term deployment may hinder social mobility and undermine equal opportunities.

The hybrid model of blending remote working with time in the office looks set to become commonplace for many businesses. For the 74% of employees who told us they'd like to work from home more frequently, that's good news. With just 5% of employers in our survey saying that they did not endorse home working, it suggests this may be largely welcomed by employers too.

However, making home a regular place of work, permanently, presents some important challenges for employers and employees, with repercussions that may be felt throughout UK society. We're concerned that some of the unintended consequences may place many parts of our communities, and young people in particular, at a disadvantage.

On a positive note, by and large, employers discovered they could trust their existing workforces to work remotely. Adapting systems and processes for people that we know, was fairly straightforward.

But, when it comes to recruiting new employees who are likely to be working from home for a significant portion of time, what are the shortcuts to 'building trust'? Might there be a tendency to draw applicants from our existing networks - recruiting 'people like us' - in order to get to a position of trust faster? This could be an intentional move, or unconscious bias.

Access to the necessary resources for home working is not equal. Just as home-schooling revealed digital inequalities impacting on children's education, we must take care to remove barriers to working remotely. That's not just about laptops and suitable chairs. Reliable broadband, affordable heating, privacy; without these, will some candidates be deterred from jobs where hybrid working is a requirement? Home working takes away the level playing field of opportunities, that office-based work provides. Everyone's resources and environment are not equal.

Without due consideration and sensible guidance, every decision by an employer is an opportunity to get it wrong. So, we say, if it's your policy to embrace hybrid working, consider how you can level the playing field for employees, to attract and retain talent from every part of our communities.

#futureworkspaces

The high street is dead, long live the high street

The evolution of the high street is not new. Changing lifestyles and consumer trends have been shaping and re-shaping our neighbourhoods for decades. In-town vs out-of-town; shopping centre vs pedestrianised courtyard; megastores vs independents; bricks vs clicks.

What has been exceptional in 2020 is the wholesale closure, by government instruction, for hospitality and retail businesses, for lengthy periods. The financial impact for so many firms is already evident, with many more boarded-up empty units.

We don't have to look too far from the high street to see a history lesson in the physical infrastructure of social and economic change. Warehouse conversions, once hives of commerce, lain vacant for long periods, now renewed as homes and workspaces.

But it has taken decades for derelict industrial buildings to be regenerated in the UK. Is this the fate for boarded-up high street stores? Decisive action must be taken if we are to avoid a dereliction generation.

All high streets are not the same. The needs of rural and urban centres will differ, and with the 'levelling up' agenda setting out to address a deepening north-south divide, there is a risk of inequalities deepening.

While progress has been made towards mixed-use high streets, in which residential, hospitality, leisure and office space sit cheek by jowl, schemes may not take account of the rapid changes in how we live and work. Will town centre studio flats provide the home-office or outside spaces so many people now seek? During 2020, according to Zoopla, the most searched-for term on their property pages was 'garden', for renters and buyers.

At the same time, what we need from the future workspace is changing. As we entice people back into re-imagined, collaborative, flexible offices, could we make high streets the hub for a different kind of commerce no longer dominated by retail?

The high street is the new frontier for urban regeneration. This requires big picture thinking and creative funding streams. Planning policies must be designed to encourage sustainable private investment, suitably flexible at a local level. A rates review is urgently called for by high street businesses. We need commercial landlords and occupiers to innovate, creating productive spaces for today's landscape. It will take a collaborative approach from everyone involved, including the government, to address these challenges at pace.

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Appendix

Who we are

We like to ask questions that go beyond our clients' legal challenges.

And we like to build lasting relationships, so that we can get under the skin of a project and advise on both business and personal matters, never sitting on the fence.

The working office affects us as individuals and employers, and as a firm with nine offices and 600 staff, we wanted to understand what the future looked like. For us and for our clients. Before and after Covid-19.

Our real estate team jumped at the chance. Now 70-strong, they provide expertise on all aspects of commercial property, real estate finance, property dispute resolution, planning and highways, development and construction, residential property and energy and renewables. They have grown rapidly over the last five years, as they continue to provide great service to hundreds of clients.

Your business is complex and ever-changing. You don't want a bolt-on solution every time you discover a new challenge, you want a partner who understands where you've come from and where you're headed, and who has your best interests at heart.

So we truly partner our clients. We are pragmatic, and we fight your corner as if we were defending our own. Because if we don't, then what's the point?

This project has shown us where the new challenges are coming from in 2021.

And we want to help you tackle them.

" A friendly firm which produces work of high quality and gets the job done. "

Client quote in Chambers and Partners, 2020

Top
100
law firm
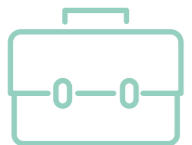
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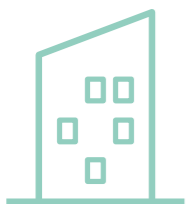
The firm has
9 OFFICES

Birmingham
Cambridge
Cardiff
Cheltenham
Hereford
London
Thames Valley
Worcester
Wye Valley

We've raised
250K
for local charities

Acknowledgements

This project wouldn't have been possible without the many contributions we had from office workers, employers, business leaders and professionals. Our special thanks go to:

Thank you!

Methodology

Our first (pre-Covid-19) survey was carried out online between mid-July and the end of September 2019.

We promoted the survey widely, using a variety of communications tools to reach people with a range of demographic characteristics, from a wide geographical area.

In total, we received 409 responses. Of these, 42 were employers, with the rest being employees.
There was a uniform spread of age ranges with a mean age of 36.6 years.

Our second (during Covid-19) survey was carried out online between the beginning of May and mid-June 2020. We promoted the survey via the same channels as we used to promote our first survey.

We received 125 responses, the majority of which were from employees. As such we subsequently interviewed a range of business leaders to obtain qualitative input on the employer view. The respondents of this survey had a mean age of 42.8 years but again there was a uniform spread of age ranges represented and similarities across both surveys in respect of the questions we asked about demographics. More part-time workers responded to our second survey than the first; 25% of survey 2 respondents worked part-time compared to 17% of survey 1 respondents.

Both surveys were analysed by an independent third party.

Limitations and observations

Within both surveys there was a significant difference in the age profiles of employers and employees, which may have led to a generational skew in terms of responses.

In survey 1, only 19 people who class themselves as disabled took part in the survey. The proportion of respondents who class themselves as disabled that took part in the second survey is almost identical to that in survey 1. We know that accessibility is a factor that the current workforce identified as a likely priority for the future workforce but care must be taken when drawing conclusions from our research on the impact of accessibility on workspace satisfaction now.

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