

Your Laboratory Fit Out ‘How Much It Will Really Cost’

Does this sound familiar?

As a fast-growing, ambitious start-up company, recently spun out of university; for convenience, we have continued working in the university laboratories. Following our success in rapidly expanding research, our team numbers and the potential opportunities for funding, we urgently need to identify a location for our own new facility.

With limited experience in the field of laboratory fit-out, we are actively seeking answers to some key questions, namely, what building to choose, how long it will take and how much it will cost.



PC: [The Conversation](#)

At [Bulb](#), the exciting part of the design and fit-out of laboratories is meeting so many aspirational business leaders looking for the next new scientific achievement.

One thing common to most prospective clients is the need to identify answers to those same key questions whilst ensuring business continuity and achieving any necessary compliance.

We have already published an article on building choices ([available here](#)). The tenant needs to ensure they are being offered the full range of property options and that the responsibility for the various property costs is understood. In this article, we will focus on how difficult it can be to identify the 'true cost' of your new facility, and how this is interwoven with the process used for choosing the right building.

Guide Costs:

The commercial property sector is motivated to achieve early lettings, and 'indicative' costs for fit-out are freely used to accelerate that process.

For some years commercial offices have been let with 'guide' figures for fit-out ranging from £25 – £50 per square foot, depending on the location and type of building. In most cases a good quality office project can be achieved within this cost range, however proper due diligence and an early technical assessment of the building might prevent the risk of costly delays should the tenant subsequently find that the building is not all that it seems.

For laboratory fit-outs, providing 'indicative' figures is far more difficult without specialist knowledge and at least a brief consultative exercise. As a comparable 'guide', Bulb have undertaken conversions of various properties (not originally designed as laboratories) into CL2 (Containment Level 2) laboratories, and costs typically were in the region of £80 -£100 per square foot. So, laboratory tenants are dealing with a comparably much larger capital outlay on average.

Specification requirements for anything other than the basic laboratory vary significantly, particularly those requiring controlled environmental conditions. The laboratory fit-out can cost considerably more than any of these average figures and make reliance on 'guide' costs a high-risk strategy.

It should also be borne in mind that whilst such figures are intended as inclusive interior fit-out costs, the figures do not include specialist laboratory equipment which can amount to several times the fit-out cost.

Hidden Costs:

Tenants need to be aware that there are many other 'hidden costs' which are important to consider, yet in our experience are often pushed aside in the rush to get a property deal done.

Developing efficient, lean and compliant laboratory processes, and documenting an accurate design brief is fundamental to the cost-effective creation of any new facility. Unfortunately, when construction professionals meet laboratory scientists, whilst both are specialists in their own field, a chasm in understanding can exist between the two parties.

A failure to adopt the right process at this stage will have a significant impact on the whole exercise and can give rise to many issues and potential costs. The issues and associated costs we regularly encounter can be categorised as follows;

- **Building Choice:**

A wide diversity in rental levels exists between building types, ranging from a purpose made laboratory facility, an office building capable of being converted, to a basic warehouse needing complete conversion. Such variances in rent can be a factor of 3 or 4 times.

Clearly the cost of creating the new facility has to be borne somewhere and the capital fit-out expenditure can equally vary considerably depending on the starting point. A broader financial discussion about investments, cash flow, running costs, service charges, future expansion plans etc is needed to weigh up the options.

The cost options can be assessed in advance quite easily if the right process is followed. We so often uncover hidden costs where a tenant commits early to a building based on a conceptual design only to find the building presents all sorts of challenges and compromises. Shortfalls in the building accommodating key requirements can involve significant cost and delay or even worse limitations in the building use.

- **Roles & Responsibilities:**

Landlords, property agents and even some laboratory equipment suppliers so often rely heavily on the tenant to explain precisely what they need from a scientific and building perspective. Unless roles and responsibilities are clear, such a reactionary approach can easily fall foul of Landlords, Local Authority or other compliance issues. A client seeking a cost-effective solution (in good faith) may ask local contractors to put in a few partitions, lab benches and associated services. With no overall responsibility for investigating Landlord and Building Control compliance, this can often be overlooked. Subsequent realisation of the absence of such things as adequate ventilation or fire protection results in non-compliance. Remedial work is then required, which causes disruption to the laboratory and more cost than it might have originally.

Gaining an early understanding of the process, and attitude of the Landlord and Local Authority to the planned building changes, will provide all parties with more confidence to proceed.



PC: [eoi](#)

- **Detailed Design:**

If the laboratory workflow has been understood it adds tremendous value to the detailed design and when testing the building's capability and efficiency.

The total space requirement will determine the rental outgoing and even building choice, but many prospective tenants do not realise that buildings vary hugely in how efficiently they can be planned and how flexible the building services are. Tenants are often caught by surprise at a point where it is too late. For example; we have experienced clients having agreed heads of terms for a building based on generic space allowances, only to find their own specific space standards do not fit well within the building. Similarly, an acquired newly air-conditioned building, whilst achieving modern CIBSE standards, did not provide the flexibility for a heavily subdivided space without considerable capital expense. Both a very unwelcome surprise for the new occupier.

- **Right first time:**

Getting the design 'right first time' will result in major savings in the long term. Many beautiful new laboratory facilities end up being remodelled and adjusted soon after completion, only to do what they were really intended for in the first place. Not only does this incur unexpected capital or maintenance cost, but valuable members of staff are left idle, prevented from using the new facility and equipment on day one.

- **Value Engineering:**

It goes without saying that there are many ways that the specification can be altered to meet a client's budget. Clearly understanding the compliance needs is key to ensure value engineering is undertaken appropriately. Many growing businesses are however recognising the difference between cost and value and whilst cost constraints are inevitable the true value of improving the workplace to motivate staff and investors alike is becoming more recognised.

Operational and Life cycle costs:

We have already commented on the high value of scientific equipment and the need to have these operational from day one. Bulb work with specialist relocation companies to ensure properly planned decommissioning and safe installation at the new facility.

Operational and running costs can be calculated for the building. In choosing new equipment it is important to bear in mind their running, maintenance and life cycle costs which are usually available via specialist suppliers or installing contractors.



Timeframe:

As the saying goes 'time means money'.

Many tenants encounter a false start as they struggle to provide a brief to property professionals employed to find them new space. The value of a brief assessment before approaching the market should not be underestimated.

To help them, many companies employ a professional team of consultants to protect their position, particularly when developing a new building. Bulb can equally support this process, developing the laboratory workflow and delivering the interior fit-out project.

In many instances, we work with tenants directly to deliver an expedient design, fit-out and relocation service, having the full range of consultancy services at our disposal. The in-house co-ordination of scientific design, procurement and project delivery provides considerable reductions in time and potential time related costs.

Need help?

The laboratory sector is continuing to experience rapid change and considerable growth particularly in emerging technologies. While the costs of a new facility can be considerable, informed decision making can avoid any additional pressure. Taking the time to consider all of the aforementioned factors ensures the real costs can be established, and the right building option chosen.

Bulb's ability to bridge the gap between science and construction can help any new venture proceed with more confidence with their fit-out choice.



PC: [LeadershipFreak](#)

[Derek Jones](#)
derekj@bulbinteriors.com
07775 712872