

Renting or buying a workspace

Whether you're renting or buying your business premises, there are a number of things you'll need to consider and do.

Work through the actions below. Tick them off as you do each one (or cross out the ones that don't apply).

You can also print the checklist off and refer back to it as you set about choosing your workplace.

Renting your business premises

- ☐ Identify what type of premises your business needs and consider location, space, facilities and budget.
- ☐ Contact commercial estate agents, surveyors and other organisations that can help you find a suitable business property, such as trade associations or your local council.
- ☐ Check out any local initiatives for start-up businesses that might be an option - like enterprise hubs that offer serviced business workspaces.
- ☐ Conduct market research to check out footfall - will the space be big enough for the expected amount of customers?
- ☐ Decide whether you're happy with the longer-term commitment of a lease, or whether a short-term licence agreement might be more suitable.
- ☐ Negotiate a suitable lease or licence with your prospective landlord. Finalise how long the agreement is for, what rent and service charges are payable and your responsibilities for maintenance and repairs.
- ☐ Itemise the one-off and ongoing costs of renting your premises. There's Stamp Duty Land Tax to pay on some leases and you may have to put down a deposit. Ongoing costs include rent, service charges, business rates, utilities bills and perhaps maintenance and repairs.
- ☐ Find out how much your business rates will be. If you think the rateable value is wrong, get in touch with your local Valuation Office. Ask for a discount! Local authorities are often keen to support new businesses.
- ☐ Clearly establish what you're responsible for as a tenant, for example cleaning, health and safety, fire safety, electrical safety, and repairs and maintenance.
- ☐ Find out if you or your landlord is responsible for insuring the building. Think about the other insurance cover your business will need - like loss or damage to contents.

- ☐ Make sure you know how frequently the rent will be reviewed and the procedure that will be used to review it. Clarify what happens if you want to end the lease early.
- ☐ Check the position if you want to make any alterations to the building. Will you have to return the building to its original state at the end of the lease? Find out what fixtures and fittings are included in the rent.
- ☐ Get the lease agreement checked over by a solicitor.
- ☐ Check whether you need planning permission if you're thinking of making any changes to the building, or changing its use.
- ☐ Check for any local restrictions that may affect your business activities, for example times when you can't send or receive deliveries. These may be listed in your lease or imposed by your local authority.
- ☐ Investigate whether the building contains asbestos. If it does, carry out a risk assessment.
- ☐ Consider the security issues for the business, such as shared access, locks, shutters, CCTV, alarms and crime reports.
- ☐ If necessary, register your lease with the Land Registry.

Buying your business premises

- ☐ Produce a cashflow forecast to assess if you can afford to buy premises for your business.
- ☐ Identify the type of premises and the facilities that your business needs.
- ☐ Think about the best location for your business. Consider things that might be important, like passing trade and local facilities. You could conduct market research in the local area.
- ☐ Conduct market research to check out footfall - will the space be big enough for the expected amount of customers?
- ☐ Contact commercial estate agents, surveyors and other organisations that can help you find a suitable business property, such as trade associations or your local council.
- ☐ Find out if any local grants or initiatives are available in locations you identify.
- ☐ Find a suitable property and get advice from a chartered surveyor on whether the building meets legal requirements for fire, flooding and other health and safety issues.
- ☐ Identify and list the one-off and ongoing costs of buying the premises. There's Stamp Duty Land Tax to pay on the purchase as well as professional fees. Ongoing costs include business rates, utilities bills, cleaning, waste collection, maintenance and repairs. Make sure everything fits within your budget.

- ☐ Approach lenders for any mortgage that is required.
- ☐ Contact the selling agent and make a conditional offer. If you have to negotiate, set a target price and make a record of everything that is discussed and agreed.
- ☐ Find a solicitor who specialises in commercial property to handle the legal side of things.
- ☐ Get a professional structural survey done. The surveyor will be able to help you with other things, like negotiating the business rates and insurance rates.
- ☐ Check if there's a need to make alterations to the building and consider getting planning permission for any alterations before you buy.
- ☐ Check that the finance is in place - both deposit and mortgage.
- ☐ Exchange contracts with the seller and pay a deposit if required. The purchase is legally binding from this point.
- ☐ Complete the purchase and become the owner of the premises. Check with your local environmental health department whether you need to register your premises.