



Moving business premises

TW Update

Providing practical advice and guidance for **Owner Managed Businesses**

Moving business premises can be an exciting step for a company that is enjoying growth, a lifeline for a business that needs to downsize, or a fresh start for a business that is relocating. But it should never be a leap into the unknown.

Whether you currently own or rent, forward planning is essential to make sure your business can continue its day-to-day trading without disruption. For most companies there will be plenty of practical issues to deal with before the move: keeping your staff and customers informed, packing up and transporting equipment, updating your website and stationery, and transferring utilities and insurance. There is then the substantial issue of fitting out your new premises, including IT and comms, equipment and furniture, and other essentials such as security systems.

Alongside the obvious practicalities, it is essential that you seek legal advice from a commercial property expert at an early stage to ensure the transition goes smoothly and your existing property is correctly disposed of. When the dust settles and the excitement of the move is over, you need to be sure that your new premises will support your business aspirations for many years to come. For a lot of businesses, moving to new premises is something that happens very rarely and can therefore be a daunting task.

On the other hand, those who take too relaxed an approach may forget about important issues or fail to plan for pitfalls along the road. A trusted legal advisor will steer you through not only the legal aspects of lease agreements and acquisitions, dilapidations and disposals, but can also help to align these tasks with the broader challenges and opportunities facing your business.

An important question to ask yourself is, why are we moving? Do you need larger or smaller premises in the same area as your current property? Are you looking for a more prestigious address to attract clients and employees? Are you looking for better footfall in a retail environment? Are you currently in a short-term lease, looking for a long-term solution? Whatever the reasons, your goal is to satisfy those needs while also keeping any benefits you have come to rely on in your current address.

So, think carefully about what your new premises can do for your business. The potential performance of a property is often tied up in contractual obligations, and this is where legal advice can really help you build a picture of what your business will look like in its new home.

The entire move can take many months or even years, from initial planning to being fully up and running in your new property. Take time at the outset to list your 'nice to haves' and your deal-breakers, and think about why each one is important to your business. Plan a budget that covers long-term increased monthly outgoings, if applicable, as well as the shorter-term costs associated with the move itself.

It often helps to allocate specific roles to employees to ensure the smooth running of the transition; remember that you will require staff to help with moving-related tasks as well as staff to run the business while the move goes ahead. It can be extremely beneficial to make your move at a time of year that is quiet for your business: another reason to plan well in advance and ensure that contracts are negotiated and signed promptly.

Remember, too, that you have a duty to consult and inform staff about how the move might impact them, particularly if you are moving a considerable distance or the relocation will otherwise affect any of their contractual rights.

Ultimately, while taking such a big step can seem daunting, expensive and disruptive, it should be viewed as an opportunity to develop your business in a way that benefits both your employees and you customers. Take time, plan carefully and seek expert advice, and the move will be the next exciting step in the life of your business.

Should you have any questions then please feel free to contact our Commercial Real Estate team on 01582 731161 or email luton@taylorwalton.co.uk.

The information given in this update was, at the time of publication, believed to be a correct statement of the law. However, readers should seek specific legal advice on matters arising, and no responsibility can be accepted for action taken solely in reliance upon such information.

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