

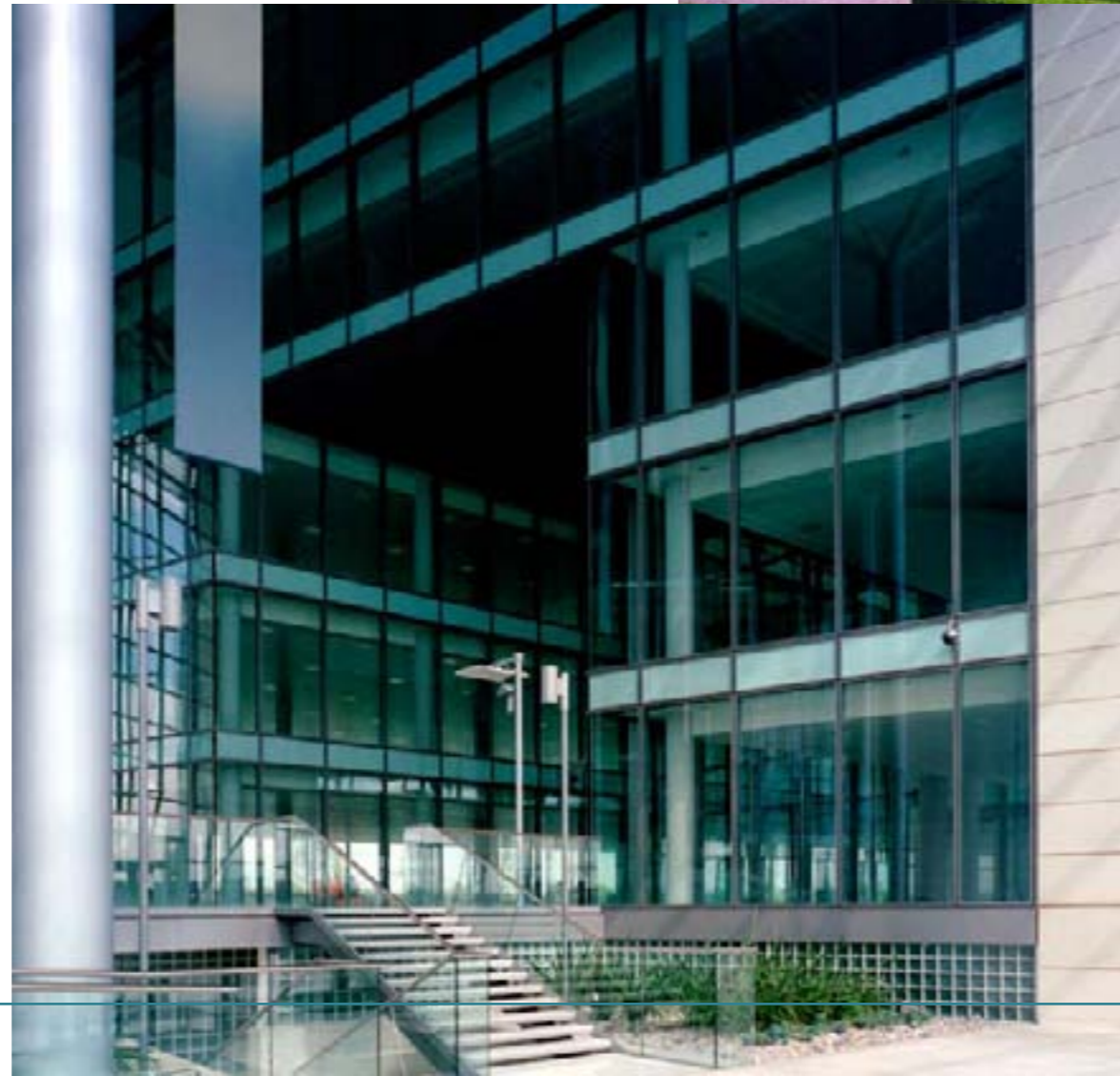
# Location, Location, **Relocation**



GATEWAY TO  
LONDON  
OPPORTUNITIES  
IN THE THAMES  
GATEWAY



This brochure provides general guidance on relocation for small to medium-sized enterprises (SMEs). It introduces the idea of business relocation, touches on many of the key issues and proposes a simple recommended approach. The guide provides an overview of the subject and is designed as a starting point for any company considering relocation. The advice it contains has deliberately been kept to the essentials.



## Who are we?

Gateway to London is the inward investment and business retention agency for the London Thames Gateway region; we are funded by the public and private sectors and are completely free to use. We are here to secure jobs and investment, help local businesses to stay in the area, attract UK and foreign investment, work with partner organisations in government and business, and to represent companies in the region.

Talk to Gateway to London for advice on potential property and locations, as well as financial assistance eligibility. We also have access to a range of detailed information that will help a company reach an informed decision. This includes information on demographics, indicators, future plans in the area, sectors, and planning. In addition, we can help with advice on access to grants; facilitate introductions to extensive business support networks, and help companies to access recruitment and workforce training.

In short, we are the single point of contact for business opportunities in London Thames Gateway, Europe's fastest growing business district.

## Why do companies relocate?

Commercial property has a limited lifespan for most occupiers. At one time or another, every business will fall somewhere within the three-stage property cycle of acquisition, occupation and disposal. Businesses regularly need to make decisions about their commercial property based on a number of influencing factors, such as the size of the company, the markets it serves and its plans for the future.

Common relocation drivers usually include:

- ▶ Business expansion/contraction
- ▶ Accessibility to new markets
- ▶ Delivery of new products to market
- ▶ Availability of skilled labour pool
- ▶ New technology and changing production methods
- ▶ Rent reviews/lease expiry
- ▶ Outdated existing property
- ▶ Desire to change property contracts
- ▶ Operational requirements no longer being met
- ▶ Key personnel and recruitment issues
- ▶ Affordability, funding capacity and cost savings
- ▶ Property market availability
- ▶ Changing commercial environment
- ▶ Consolidation of business units
- ▶ Existing site redevelopment



## The relocation process

In theory, relocating is easy. In practice, of course, the process is usually a little more complicated. Fortunately, relocation does not have to be daunting – especially if you have access to the right information. Carried out well, relocation can deliver true competitive advantage, enhanced efficiency and a boost to your corporate image, as well as bringing about improved staff morale and the very highest levels of client satisfaction.

For most companies, relocation is a critical task and one which takes significant planning and resources. Getting the process right will add considerable value, not only to the business itself, but also to staff productivity and customer satisfaction. Every successful relocation project therefore needs to be well planned from the very outset.

Ask yourself:

- ▶ Do I really need to relocate?
- ▶ What's driving the relocation and what am I aiming to achieve?
- ▶ What are the broad timescales for the whole process?



## What should I consider when choosing a business location?

Location is pivotal when it comes to operating your business effectively. For most companies, the main considerations will include:

- ▶ Access to markets and customers
- ▶ Access for staff
- ▶ Local amenities and services
- ▶ Availability of labour and skills
- ▶ Property availability and costs
- ▶ Prestige/profile
- ▶ Planning restrictions
- ▶ Financial assistance availability
- ▶ Public transport connections and wider transport infrastructure
- ▶ Access for raw materials and finished product
- ▶ Telecommunications and utilities provision
- ▶ Quality of life issues
- ▶ Location of competitors
- ▶ Access to suppliers and partners
- ▶ Neighbouring businesses and their market



## What are the property options?

Business premises are usually taken on either a freehold, leasehold or licenced title basis. Serviced office space is a further option which is particularly well suited to small businesses, or established businesses that are venturing into new or unfamiliar markets.

**FREEHOLD** - Purchasing a property outright and acquiring its freehold can be a good investment for an established business with greater reserves to commit. Subject to any restrictions in the title deeds and planning permission, freeholders will usually be free to improve the property as they see fit.

**LEASEHOLD** - Considered one of the best options for established companies, leasehold properties are normally let for between three and 25 years, offering a stable base for that time. Subject to obtaining the landlord's written consent, it is usually possible to make alterations to the premises. Buying a long lease is another option and some properties are available on leases so long that they are known as 'virtual freeholds'.

**LICENCE** - An 'easy in, easy out' licence is normally arranged with very minimal legal work. Licences are considered ideal for start up and micro-businesses because they offer greater flexibility, such as taking on more or less space at short notice, and lower outlay costs. Insurance, rates and maintenance can be arranged by the owner and will often be included in the price.

**SERVICED OFFICES** - Sometimes known as Business Centres, these are especially popular with young and fast-growing new businesses. They offer a variety of shared services, for example: receptionists, Internet connections, postal service and photocopying facilities. They can be ideal for entrepreneurs who need to move in quickly and retain flexibility, while avoiding the need for a longer-term commitment.

## What about the property itself?

Give careful thought to the type of building that suits your company's needs including its design, layout, facilities and access points. For example, moving or establishing a company HQ will call for one type of property, whereas a back office location for administration will call for something different. Some business sectors require very specific features for example, many manufacturing and logistics centres need good eaves height and loading facilities.

There are numerous points to consider about the building and one size will not fit all. Some businesses may consider acquiring land for a Design & Build scheme to suit their particular requirements, particularly if a building that meets a specific need is not available.



Ask a few searching questions:

- ▶ Is there enough workspace now and for potential future expansion?
- ▶ Does the current layout meet my needs and, if not, can it be altered easily?
- ▶ Does the building provide all the facilities that I need including meeting rooms, kitchen areas, and raised floors/suspended ceilings for IT cables and wiring?
- ▶ Are the services to the building up-to-date and appropriate for my needs?
- ▶ Do I need to refurbish the building in any way and how does this fit with my budget?
- ▶ Does the site have planning permission for my use and would this be straightforward to obtain?
- ▶ What are the obligations of the lease?
- ▶ Can I sub-let floorspace?
- ▶ Are there enough car parking spaces for my staff and customers?
- ▶ Is there disabled access to the building?
- ▶ How secure is the building?
- ▶ What does the physical condition of the building say about my business, and is image important?



## Getting advice

Acquiring commercial property can be a complicated matter and good advice is essential, so we recommend that you talk to Gateway to London as soon as possible. Once the process is underway, we recommend involving a RICS-qualified chartered surveyor and a solicitor as the best way of guaranteeing impartial professional advice.

For a more comprehensive look at what's involved in each step of the process, we have produced an expanded version of this guide which is available in the property section of [www.gtlon.co.uk](http://www.gtlon.co.uk)

You can also contact us at:

[Gateway to London](http://www.gtlon.co.uk)  
020 7540 5560  
[www.gtlon.co.uk](http://www.gtlon.co.uk)

We would also recommend the following as good sources of advice for any businesses considering relocation:

[Royal Institute of Chartered Surveyors](http://www.rics.org)  
0870 333 1600  
[www.rics.org](http://www.rics.org)

[National Association of Estate Agents](http://www.naea.co.uk)  
01926 496 800  
[www.naea.co.uk](http://www.naea.co.uk)

[The Government Planning Portal](http://www.planningportal.gov.uk)  
[www.planningportal.gov.uk](http://www.planningportal.gov.uk)

[British Association of Removers](http://www.bar.co.uk)  
01923 699480  
[www.bar.co.uk](http://www.bar.co.uk)

[Business Link](http://www.businesslink.gov.uk)  
0845 600 9006  
[www.businesslink.gov.uk](http://www.businesslink.gov.uk)

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The LDA prepares the Mayor's business plan for London and mobilises the support and resources of hundreds of partner organisations to help build a thriving economy for London's people, businesses and communities.

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