

Finding the right premises to rent

It is essential to match your premises to your business needs. There are a number of ways to search for appropriate premises to rent. You could consider:

- agents' letting boards outside the premises
- local newspapers
- your local council - through their Economic Development Unit
- estate agents
- trade associations - if an existing member is retiring or selling up

Another good way to find suitable premises is through appointing a commercial agent or commercial surveyor. You can find one in phone directories, or via a trade association, the Royal Institution of Chartered Surveyors website (RICS) or a local Chamber of Commerce.

Commercial agents and surveyors have expertise on the property market in the area and can keep you up to date with any new developments. They will also send you detailed specifications of suitable premises, which can prove invaluable, particularly if you are limited by time.

Commission is payable to a commercial agent for acting as an intermediary between you and the landlord or seller. You will need to fully brief the agent, manage the relationship well and maintain regular contact to ensure that they find you the most suitable premises.

When employing an agent to act on your behalf, you should also draw up a contract, even if the relationship is informal. This will help to set out expectations and clarify your legal obligations to them.

Alterations to the property

Planning permission is generally required if you want to extend, convert or change the external nature of the premises - though it's not always needed if you want to make alterations. Check (at the proposal stage) with your local planning authority whether the development will require planning permission. You should also check with the building control section at your local council that the work conforms to building regulations. Before you start any alteration work, you should check the details of the lease. You may need to get permission from the landlord. Unless the lease expressly prohibits improvements, the landlord may not unreasonably withhold consent to tenants' improvements. Also, you should clarify whether you will be required to reinstate the property to its original condition before the agreement expires. You should also check whether the works you are planning will alter your rateable value. The rateable value of business premises is based on their open market rental value. Changing your premises may affect this and the amount you pay in business rates.