

# Careful Planning Is Key To Any Office Move

**BUSINESS  
AGENDA**

Property professionals agree that careful planning and realistic expectations are key to any successful office move. This is particularly true in Wiltshire where the office market is making a rapid recovery, having lagged for some time behind other parts of the Thames Valley.

**Office rents are rising and demand is high for quality, grade A premises in Swindon as well as in the market towns.**

"It's important to start looking early," advised Paul Whitmarsh, a partner at commercial property firm Whitmarsh Lockhart based in Swindon. "Companies often don't allow enough time for the search which can be a lengthy process. The majority of companies move within a 10 mile radius of their existing offices to try and minimise the impact on staff, so their options can be quite limited.



**Paul Whitmarsh,  
Partner at Whitmarsh Lockhart**

"Office premises make a strong corporate statement so for a lot of companies it's about beauty over cost," continued Paul.

"This means that what little grade A stock is available gets snapped up quickly and inflates demand. Rents in turn will continue to rise and we should reach a point in the next few years where they are at a level which will make it viable for the developers to start building speculatively again.

"In the meantime, businesses are having to make do with older properties but if they keep an open mind and are prepared to negotiate with the landlord on refurbishments, they can create a desirable working environment which will meet their needs in the short to medium term. When looking at older buildings in particular, it's sensible for businesses to understand what will be required of them in terms of maintenance and take professional

advice, to ensure there are no unwelcome surprises.

"It is also important to be realistic about current rental levels and other costs and factor these into the budget," said Paul. "For many years, the office market in Wiltshire was so poor that the boot was firmly on the tenant's foot. However, landlords can afford to be a lot braver now and are looking to achieve rents which reflect today's rapidly rising market rate."

The surge in demand for property in Swindon is also being seen in Wiltshire's market towns, reflecting renewed confidence among businesses which are not only looking to accommodate their existing growth but thinking ambitiously about implementing their long-term expansion strategies.

Alison Williams, Associate Director at Kavanaghs Commercial, which has offices in Melksham and Trowbridge, said: "There are a lot of good companies out there which are doing very well, particularly in the engineering, media and business consulting sectors, and many are looking to take the next step on the property ladder. Those that are based in the market towns tend to want to stay fairly local but they want to be well located, close to amenities and a public transport network. Business parks are also proving to be a popular choice.

"There is a lot of office stock available, particularly in towns like Chippenham and



**Alison Williams, Associate Director at  
Kavanaghs Commercial**

Devizes, but it is not necessarily the right stock as every requirement is different. What suits one company will not suit the next and so businesses need to plan ahead. A move is a huge step so it's essential that it is well planned and carefully managed to ensure it's as seamless as possible."

Alison continued: "We always advise businesses to get their finances in order as landlords are looking for well-funded companies that can show them a strong set of accounts which prove longevity and their ability to pay the rent.

"We are currently marketing 10,000 sq ft of office space at Whitehorse Business Park in Trowbridge and the level of interest already being shown in the building is a good indication of the growing appetite for larger properties."

**Legendary Move For Excalibur**  
Excalibur, which provides communications and IT solutions to businesses, has moved into the iconic Arclite building overlooking Peatmoor Lagoon in Swindon (pictured).



**James Phipps,  
Chief Executive of Excalibur**

This well-known and much talked about Zeppelin-shaped glass building has won several architectural awards over the years. It has been fully refurbished and now provides over 11,000 sq ft of accommodation to Excalibur and its associated businesses.

Chief Executive James Phipps said: "As soon as we walked in, we knew it was



**Arclite, Peatmoor  
Lagoon in Swindon.**

right for us. It's the leading office space in the area, a stand-out, iconic building that reflects our ambitions. We wanted to stay in Swindon and had been looking to move for a long time but waited until we could find the best possible environment for our staff and customers. Many offices were far too small for our future growth, or were either in too poor condition, overpriced, or both. Soul-less offices that had been converted from warehouses also didn't appeal to us at all. We wanted a place where people would feel inspired."

Due to continued growth, this is Excalibur's third move in five years, achieved with no



**Greg Callard  
from Withy King**

**"Greg Callard from Withy King facilitated the move, completed within 75 days, from first viewing to first operational day, exceeding our expectations throughout the process." James Phipps, Chief Executive, Excalibur**

disruption to its 6,000 supported customer base. The property was marketed by Whitmarsh Lockhart. The commercial property team at Withy King undertook the legal work, including reviewing and negotiating the terms of the lease.

## Negotiating The Terms Of A New Lease

Once a prospective tenant has found the right property for their business then comes the real fun of agreeing terms to suit both the landlord and the tenant, or at the very least, terms that are palatable to both of them.

"It's important not to be too quick to agree terms verbally to avoid renegotiations and potential conflicts further down the line when the implications of those early conversations become clearer," said Greg Callard, a commercial property solicitor at Withy King. "Far better to take professional advice at an early stage to ensure negotiations are strategically considered. This saves time in the long run and makes the whole process smoother and more harmonious."

## Withy King's key points for tenants to consider when negotiating headline terms

- Heads of terms are produced by the agent. It's important that these terms are fully negotiated before the landlord's solicitor starts drawing up the legal documents, to avoid problems later on.
- Give careful thought to the length of the lease. Too long and you may have to try and negotiate yourself out of the lease or sublet the property if you need to move earlier. Too short and there is no guarantee that the landlord will renew which means you may have to move sooner than you would like.
- A break clause will allow you to bring the lease to an end early, should you need to relocate, upsize or downsize.
- As well as the headline rent, other costs are often referred to and included as rent in the lease, such as service charges, insurance and utility costs. Check if the landlord charges VAT as this may affect your cash flow.
- It is worth trying to negotiate a rent free period particularly if you are fitting out the property and don't want to pay rent until you actually move in.
- The landlord will want to be able to review the rent. Consider the frequency of these reviews so you can plan financially.
- Most leases are fully repairing. This may oblige the tenant to hand the property back in a better condition than when they took it over. Try to limit your repairing obligation to the current condition of the property.
- If you need to undertake fit out works, make sure that full plans and specifications are available so the landlord can agree them during the negotiation process, avoiding potential delays later on.