Introduction

This guide was created to help start-up businesses and SMEs find their first workspace in the City of London. It is intended for those with little prior experience of the property market and who are based in and around the London area. It has been written by the City Corporation’s Business Partnerships and Engagement Team (BPET) with additional input from The Small Business Research and Enterprise Centre (SBREC) and the property agency SITUU.
Section one:

When to start looking for workspace:

How do you know when you’re ready to move into your first workspace? This largely depends on individual circumstances. If you’re living with family or in shared accommodation, it may not be practical to continue running your business from home. However, if you rent or own your own home, it may significantly reduce your business expenses to continue working there. Workspace will be your biggest cost after payroll and is a decision not to be taken lightly.

You also need to consider the needs of your clients. How soon do they want to meet with you and how often will these meetings take place? If it’s only once or twice a month, you could book meeting space on an ad-hoc basis while you continue working from home.

If you already employ staff, a workspace offers a centre of gravity to discuss ideas, embed the corporate culture and develop junior staff members. Since the pandemic, flexibility is now key to staff retention so it’s worth considering if you’ll need space five days a week. For very small teams, it may be a case of meeting a few times a month and booking meeting space on an ad-hoc basis.

How important is your business address?

This will vary depending on the sector and type of business you’re running. If you’re working in financial services, this will matter more than if you’re working in the creative industries for example. If you don’t feel ready to take on the full-time commitment of a permanent office space, some flexible office spaces will provide you with the use of their address as part of the package. If your business is a limited company you will need to check if you can use this as your registered address or just a mailing address.
Section two:

How to find workspace in the City of London

When looking for workspace, you can either go it alone or you can instruct a broker to do the leg work for you. A broker is employed to help businesses find workspace. A broker has access to the whole property market and will focus on meeting your specific needs. If you’re looking for leased office space, you may be charged a fee but if you’re looking for flexible space, the service is normally free. However, if you would prefer to take things at your own pace, it may be advisable to go it alone.

The table on the next page gives you an idea of the types of workspace and the range of amenities available:

Table provided courtesy of Situu – https://www.situu.co.uk/

Useful resources

The London Growth Hub website provides an interactive map on different workspaces throughout London, many listed in the City of London.

If you’re specifically looking for serviced office space in the City of London, have a look at our serviced office map

You can also find out about free and paid workspace options including day passes to a wide range of City venues.

Find out about the complete range of flexible office and workspace providers in the City of London.
<table>
<thead>
<tr>
<th><strong>Serviced Offices</strong></th>
<th><strong>Managed Offices</strong></th>
<th><strong>Leased Offices</strong></th>
</tr>
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<tbody>
<tr>
<td><strong>Description</strong></td>
<td><strong>Description</strong></td>
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| From a small private office on a multi-tenanted floor within a building that offers shared amenities, to a self contained floor or whole building. | // This is often termed as a hybrid of a serviced and traditional leasehold solution.  
// Private self-contained floor(s) or a whole building, designed, built & managed by third-party operator. | // Leases, subleases and assignments; these are long term agreements direct with landlords and other tenants.  
// Private self-contained floor(s) or a whole building, designed, built & managed by the tenant. |
| **Contract & term License** | **Contract & term License** | **Contract & term License** |
| Typically Monthly to 3 years. | License / Short-term lease – typically 2 to 5 years. | Lease – 3 years+, however sub-lease / assignments can be shorter. |
| **Flexibility**      | **Flexibility**     | **Flexibility**  |
| Flexibility to scale up in size during the term, subject to operator availability & ability to move buildings within operator portfolio. | Flexibility to scale up in size during the term, subject to operator availability & ability to move buildings within operator portfolio. | Limited flexibility to scale in size during the term. |
| **Costs**            | **Costs**           | **Costs**        |
| All-inclusive monthly cost. | All-inclusive monthly cost. | Costs are separated into rent, business rates, service charge and are paid quarterly in advance.  
// Utilities and insurance are also payable. |
| **Fit-out costs**    | **Fit-out costs**   | **Fit-out costs** |
| Branding allowed within your private suite. | Option of taking space as is with no cost, or bespoke space with costs amortised over length of term. | Normally an upfront cost to fit space out and dilapidation costs to return space at the end of the term for tenant. |
| **Brand identity**   | **Brand identity**  | **Brand identity** |
| Option of taking space as is with no cost, or bespoke space with costs usually paid upfront. | Branding allowed within your private suite and signage in reception. | Branding allowed within your private suite and signage in reception. |
| **Amenities**        | **Amenities**       | **Amenities**    |
| Shared amenities across the communal parts of the building typically include; break out spaces, meeting rooms and kitchens - all of which are maintained by the operator. | Private amenities within the tenant space typically include; break out spaces, meeting rooms and kitchens – all of which are maintained by the operator. | Private amenities within the tenant space typically include; break out spaces, meeting rooms and kitchens – all of which are maintained by the tenant. |
| **Professional fees** | **Professional fees** | **Professional fees** |
| Legal fees (if applicable) paid by Tenant and Agency fees paid by the Landlord / Office Operator. | Legal fees (if applicable) paid by Tenant and Agency fees paid by the Landlord / Office Operator. | Legal and Agency fees paid by the Tenant. |
| **Best suited for**  | **Best suited for** | **Best suited for** |
| Companies that require flexibility in term length and ability to adapt to a changing headcount. | Companies who are looking for a medium to long-term self contained solution, without the operational hassle. | Companies with fixed size requirements looking to set down long-term roots. |
Section 3:
How to choose the right workspace

If you already employ staff or intend to do so soon

Finding the right workspace depends on your individual circumstances. If you already employ staff or are intending to do so soon, staff wellbeing is a key priority. This doesn’t just apply to their workspace but also applies to their commute and where they can get lunch - the trendier the area, the less likely it is to offer affordable lunch options.

You also need to consider whether the workspace offers showers and bike parking options for those who want to cycle to the office. Cycling rates in London have risen by over 290% since 1999 and bike parking spaces are now one of the most sought-after building amenities.

Since the pandemic, outdoor space is now high on the list of wellbeing priorities for staff. At the luxury end of the scale, roof terraces are in particularly high demand - but at a minimum - staff should have space to eat lunch away from their desk. Green space within the local vicinity can boost mental health and wellbeing and provides welcome respite at lunchtime.

If you have a young workforce (60% in the City are aged between 22-39), it’s worth considering local amenities for post-work socialising. Restaurants, bars and gyms all provide a draw for talent and highlights that what’s outside a building is as important as what’s inside.

Finally, looking to future expansion, does your workspace allow space to grow? If you’re a high-growth business and don’t want the hassle of moving every couple of years, make sure your workspace has room to accommodate your growing needs.
Consulting with staff on your workspace

If you already employ more than one staff member, it’s best practice not to include them at the start of any workspace decisions until you have a shortlist of two or three options. This allows you to prioritise solutions that meet your business’s objectives before receiving final input from your team. Staff can get involved in other decisions such as company branding or furnishings, and this is a great method to foster loyalty to the new space and your business. During the decision-making process, some companies do a postcode analysis to determine where people live and the resulting impact on commute times. The commute is a key staff consideration and is a decision that can make or break staff retention.

Consider your clients’ needs

It’s also worth considering your clients. Are they based in the local area or will it require a long journey to see them? How often will you liaise with them and do they want to meet in person or would they accept meetings over Teams or Zoom?

Some workspaces offer meeting room capacity bundles which makes hiring meeting rooms more cost effective if you’re likely to need them on a regular basis. Best practice is to consider your meeting room use before taking your final office space - building the cost of these ‘Pay As You Go’ services into your decision-making process.
Your work culture is also an important consideration. If you’re a creative business, you may need different areas for creative and collaborative work.

Be aware there may be regulations in your industry regarding confidentiality which may be difficult to achieve in a shared workspace. Perhaps you spend all day on the phone and need to consider noise levels, in which case ask for a free trial to check the acoustics between your office and neighbouring offices.
Nearly all businesses now rely on fast broadband and this is particularly the case for those working in the tech or creative industries. Ask for a speed test to gauge the internet provision before you sign up.

You can also check on this map where superfast broadband is available in the City.

Temperature is one of the biggest bugbears of office life and one that can be easily overlooked. Is the central heating adequate in all areas of the office during the property search process? Similarly, how is the temperature regulated in the summer to ensure adequate air conditioning? It’s worth asking these questions in advance of the changing seasons.

Storage space is another area to consider. Do you need to keep paper files or is everything stored in the Cloud? What storage space is available and will it be enough to meet your needs over time? Do you need to keep anything on your desk and if so, will your workspace allow for this?
A few more factors to consider

What are the total costs involved in hiring the workspace?
Are there additional costs involved to book meeting rooms and how will this add to your expenses?
Are there any termination clauses if you want to leave early?

Top tips before you sign on the dotted line
• Ask to run a speed test on the broadband provision
• Ask for a half day free trial before you sign up
• Check the acoustics between your office and neighbouring buildings
• Ensure the workspace meets your own staff and your clients’ needs
• Check you have enough storage space
• Find out how temperature is regulated in the building
• Remember to factor in all expenses including meeting room hire
• Check the amenities both inside and outside the building
Section four: Services offered by SBREC

The Small Business Research + Enterprise Centre (SBREC) is the City Corporation’s small business start-up and growth support service, open to all small businesses throughout the UK where you can get access to a range of specialist business information and market research. They also host a range of business support events and provide expert assistance to help you grow your business.

You can access free WiFi and workspace when you take out free or paid membership at the Small Business Research + Enterprise Centre.

Meeting rooms are also available to book on an hourly or daily basis.

Business Partnerships and Engagement Team

Business Partnerships and Engagement Team is a unique outward facing service that supports businesses, investors and developers to build, occupy and operate in the Square Mile. They act as a single point of contact into the City Corporation providing timely assistance in areas such as supporting businesses in identifying property options for occupation, unblocking issues relating to utility infrastructure such as power and telecoms and exploring the art of the possible in terms of building fit-out and design.

They have a deep understanding of the development process and can assist with planning issues, rights to light and licensing issues. Their remit is to enable, facilitate and influence on your behalf whether you are a business, developer, agent or other property professional. All their services are provided on a free of charge basis.

They can assist start-up businesses with one-to-one support to find workspace in the City of London. They also offer “how to find workspace” webinars with leading property brokers to help start-ups find their first workspace.

If you would like one-to-one advice on how to find workspace in the City of London, contact:

cpat@cityoflondon.gov.uk

or phone: 0207 332 3496