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What are the largest overheads for new businesses to consider when starting up? by [Sean Burke](#)

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If you're starting up a new business, it's essential to be clear about the overheads involved, otherwise you risk making significant budgeting errors and running out of money at this crucial stage, with nothing left to spend on growing your company. Overheads refer to all costs that do not directly contribute to the bottom line of a business, but are still essential requirements - from the rental of office premises to utilities such as gas, electricity and broadband.

Rent is typically one of the largest overheads in a business, and one that can be avoided entirely when working out of premises you already own - though in practice, this is only usually a viable option for home-based businesses with no additional employees. You should expend significant time and resources tracking down the ideal property for your business, which will need to be easily accessible, preferably in a prime location and - most vital of all - affordable within your means. You should always try to negotiate a fairer deal with the landlord or agency if you feel your rent is overly expensive, and consider hiring a solicitor to look over the details of the contract before signing, to check for anything erroneous.

Insurance is another important overhead that shouldn't be overlooked, especially since any damage that occurs to your business premises may have to come out of your own pocket if your building is not adequately covered. There are many types of insurance available for businesses. However, that's not to say all will be of equal value to your company - especially if you don't invite members of the public to your premises and do not require public liability insurance to cover injuries and accidents.

Hiring staff can be costly too, though in many cases these individuals will be vital for your organisation's success, and can be considered an investment in your business, rather than a financial burden. Some personnel may be less pertinent to your business' overall objectives, but still perform important functions, such as security and catering services.

Utilities also need to be thought about carefully when establishing your business premises, as you need to ensure these will be scalable to meet your changing needs as your company grows in the future. Comparing rates for everything from business broadband to business electricity and gas should help you find the most affordable and suitable tariffs, and cut back on unnecessary expenditure.

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Sean Burke writes for a digital marketing agency. This article has been commissioned by a client of said agency. This article is not designed to promote, but should be considered professional content.

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