



Running a Business from Home Policy

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1. Introduction

This Policy is for tenants who wish to run their own business from home. If you are a leaseholder, please see section 6, for more details.

Across the UK there has been a rise in the number of small businesses that are run from home, this rise is mainly due to changing technology and an increase in phone and internet based businesses. However this increase has not been mirrored by tenants who live in the social housing sector and only 5% of home businesses are run by council and housing association tenants, compared to 11% of non social tenants.

Dartford Borough Council wants to encourage its tenants to set up businesses from home. It appreciates that home enterprise can have a positive impact by increasing tenants income but also equipping tenants with experience and skills, which in turn can improve employment prospects for the future.

1.1 Policy links:

In encouraging tenants to maximise their income through home working, this Policy links to the Council's Rent Arrears Policy. It also links to the Council's corporate priority of 'Housing and Stronger Communities' by 'promoting self reliant communities.'

2. Aim of Policy

The aim of this policy is to clarify the conditions for tenants wishing to set up a business from home, which are outlined in the tenancy agreement.

The tenancy agreement says that tenants must not:

4.16 Carry out any trade, profession or business from the property, or elsewhere on Council land, without the permission of the Council in writing.

This requirement is also set out in the tenant's handbook: 'tenancy agreement, your questions answered.'

This policy will explain how tenants can make requests to set up & run a business from home and how these requests will be dealt with by the Council. The Policy will also explain what types of trade, business or profession the Council will not grant permission for and the penalties facing tenants who carry out these occupations.

3. Conditions to home working

3.1 Unauthorised working

The Council will not allow someone to work from home if:

- It is likely to cause nuisance to neighbours.¹

¹ The tenancy agreement states that "tenants must not use the property or do anything in the property, or allow the property to be used or allow anything to be done in your property, which interferes with the peace, comfort or quiet enjoyment of any person living in, visiting or otherwise engaged in lawful activity in the locality of your property or which causes a nuisance, annoyance, inconvenience or damage to neighbouring, adjoining or adjacent property or

Nuisance may be caused by frequent visitors, high noise levels/ noise during unsocial hours or smells or parking congestion.

- It is an illegal, improper, or immoral activity.²
- It would require major adaptation of the property or advertisement boards, or would damage the property in some way.

Examples of authorised working:	Examples of unauthorised working:
Cake decorating	Car mechanic
Mail order business	Businesses involving the use of hydraulic equipment, industrial sewing machines or controlled substances such as chemicals.
Computer repair	Shops or wholesale businesses where customers would regularly visit the property
Window cleaner	Brothel
Child care	

Table A: Examples of work authorised and not authorised

3.2 Tenants responsibility:

The Council will remind those who work from home of the legal and regulatory requirements which need to be taken into consideration before working from home. Giving of consent by the Council will not alleviate the need for tenants to obtain any other relevant consent, for instance Ofsted registration for childminding.

3.3 Withdrawal of permission

The Council has a right to withdraw permission granted for home working or to impose conditions if problems arise from the operation of the business.

3.4 Nature of the tenancy

Running a business from home will not alter the fundamental purpose for which the home is let; the primary use of the property must always be residential.

4. Procedure for obtaining permission

If a tenant wishes to run a business from home, they should complete an application form, which can be downloaded from the Council's website or can be sent by post on request. If a tenant has a problem completing the form due to language or literacy difficulties, the form can be translated, or a Housing Officer can help the tenant to complete it.

The Housing Manager will then consider each case individually and will make a decision whether or not to allow the tenant to work from home within 10 working days. The manager will not unreasonably refuse permission for a tenant to work from home and any decision will be based on home working conditions set out in section 3.1.

to the owners or occupiers of neighbouring property, their visitors or any person visiting or otherwise engaged in lawful activity in the locality of your property" (condition 4.9).

² The tenancy agreement states that "tenants must not use the property or any communal area, for any improper, illegal, immoral or anti-social activity, which includes dealing, selling or abusing any illegal or controlled drugs or storing or handling stolen goods or riding motorbikes on communal land (condition 4.8).

A letter confirming that permission has been granted and conditions to the permission will be sent to the tenant. The tenancy records will be updated accordingly. If permission has been refused, a letter will be sent stating the reason for this.

If a tenant wishes to appeal a decision, then they can go through the Council's corporate complaint procedure which can be accessed online at: <http://www.dartford.gov.uk/complaints/> or a form can be requested and sent by post.

4.1 Mutual exchange

If a tenant has permission to run a business from home and wishes to mutual exchange, then the permission will be carried over to his/her new tenancy. A Housing Officer will remind the tenant that they may be required to notify other relevant agencies of the change of premises e.g. a registered childminder should notify Ofsted.

5. Running a business without permission, or which is unsuitable

If the Council identifies that a tenant is working from home but has not sought permission, then the Council will send an application form and request that the tenant completes it within 10 working days. If the tenant does not return it, or refuses to stop their business after the Council has denied permission, the Council will take enforcement action.

If permission has been granted by the Council but the business causes nuisance to neighbours, damage to the property, or the nature of the work was not outlined in the original application form, the Council will investigate the matter. If the nuisance cannot be stopped, it will be dealt with under the tenancy conditions.

If a tenant refuses to comply with the Council's requirements, then the Council will take enforcement action which could include application to the Court for repossession of the property, due to a breach of the tenancy conditions.

6. Guidance for leaseholders

Although the lease agreement does not allow residents to set up a business from home the Council can waive this restriction. The Council will only do this when the leaseholder has applied for permission and if the conditions for home working are met, which are set out in section 3.

To seek permission a leaseholder must complete an Application Form and return it to the Housing Finance Team Leader, who will reply within 10 working days with a decision.

If the leaseholder carries out their business but does not apply for permission, or if permission is sought but the business does not meet the conditions set, then the Council will take enforcement action which could include forfeiture of the lease.

7. Appendix

7.1 Running a business from home application form

Date of request:	
Name of person(s) seeking permission :	
Address :	
Telephone number:	
Email address:	
Name of business:	
Please give a brief description of the work that you will be carrying out:	
1. I understand that the Council can withdraw its permission or impose conditions for home working at any time. 2. I am aware that if I set up a business and do not comply with the legal requirements the Council will take enforcement action which could include application to the Court for repossession of my home, due to a breach of the tenancy conditions. 3. Once the Council has given me permission to set up a business, I will inform the Council should I stop the business or make any changes to the nature of the business.	
Signed.....	

If you are setting up your own business you must:

1. Check Dartford Borough Council's Home Working policy to see if the Council will allow it.
2. Check with your insurance provider, to see if you need to take out extra insurance e.g. you may need to take out third party insurance if you're dealing with customers
3. Contact the Valuation Office Agency (VOA) <http://www.voa.gov.uk/> , to see if you will be charged business rates. See a guide on business rates at www.bussinesslink.gov.uk
4. Contact HM Revenue & Customs <http://www.hmrc.gov.uk/index.htm> and an accountant, to see what your income tax, VAT and Capital Gains Tax position is.
5. Contact the Health & Safety Executive <http://www.hse.gov.uk/> or your local authority www.dartford.gov.uk , to find out the health and safety aspects of running a work at home business and how to do a risk assessment.
6. Contact the planning department of your local authority http://www.dartford.gov.uk/planning/planning_permission.htm , if you need to make structural changes to the interior or exterior of your property (exterior includes garden, fences etc). Be aware that you may need planning permission.
7. Check whether the line of business which you wish to carry out requires you to adhere to licences/regulations or apply for a CRB check.

See www.bussinesslink.gov.uk for more details

7.2 Some useful contacts:

- Local banks who will have sections which specialise in helping people to set up a small business
- Local Enterprise Agencies
- Small business networking clubs
- The Federation of Small Business – www.fsb.org.uk