



Business run from home

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This note deals with planning issues that arise when a business is run from home.

On 27 March 2012, DCLG published the final version of the [National Planning Policy Framework](#). It came into effect immediately, superseding the 2011 draft and all other planning guidance (except on waste). This note (and several others) will be updated to take account of the new guidance as soon as possible, but it may take time to work out the implications of the new guidance. Until then, this note may contain statements that are superseded by the new guidance.

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1 Planning and small businesses

Planning permission is required for development, which includes change of use. However, there is some discretion as to when planning permission is required. Many properties have a main use and an ancillary use. Planning permission is not required for an ancillary use, but it may be required if the ancillary use increases beyond a certain point.

In the 1950s and 1960s, the emphasis of policy was to separate industry from residential areas, because industry was seen as highly polluting. In the 1970s, however, there was much concern at the problems faced by people trying to start small businesses, and it was felt that over-strict application of planning laws had often ruled out the cheap start (for example in one's garage) in favour of the more expensive requirement of special premises.

However, it is also true that neighbours do sometimes complain that someone is disturbing the area in some way by running a business from home. Examples might include increased traffic, taking up nearby parking spaces, noise, or smell. In such cases, a constituent would probably do best to consult the local planning department. They can then decide what action to take. There is no simple rule for determining whether or not planning permission is required for business activity in a residential house. It will really depend upon the judgement of the planning officer.

2 Planning Policy Guidance

Some guidance is offered in a Planning Policy Guidance Note:

32 Many small businesses and other non-residential uses are started by people working in their own homes, and technological innovations are likely to increase the incidence of home-working. Home-working does not necessarily require planning permission. Permission is not normally required where the use of part of a dwelling-house for business purposes does not change the overall character of the property's use as a single dwelling. For example, use by a householder of a room as an office, or childminding complying with the Department of Health's standard recommended ratios, would be unlikely to mean that the character of the house's use as a single dwelling had ceased and would not normally require planning permission. Those considering working from home are advised to seek the advice of their local planning authority at an early stage.

33 Once the business or non-residential use of the property ceases to be ancillary to its use as a single dwelling because, for example, the business has grown and the use of the dwelling for activities related to the business has intensified, a material change of use for which planning permission is required is likely to have taken place. The likelihood of there having been such a material change of use may be indicated where the business or non-residential use generates visitors, traffic, noise or fumes over and above what might be expected if the property were in use as a single dwelling without any ancillary use. Local planning authorities should take steps to ensure that such developments are effectively controlled, and should be prepared to refuse planning permission or to use their enforcement powers where appropriate.¹

¹ DOE, *Industrial and Commercial Development and Small Firms*, PPG4, November 1992
<http://www.communities.gov.uk/index.asp?id=1143958>

3 The Barker Review of Land Use Planning

The Barker Review of Land Use Planning, published in December 2006, was aimed at reducing the number of planning applications and making the planning system more friendly to business.² In the general spirit of the Barker approach, one might expect that it would facilitate the running of businesses from home. However, that particular issue does not appear to be addressed directly. Barker proposes the 'impact' principle, i.e. that planning permission should only be required for developments that have non-negligible third-party effects (Paragraph 5.6). However, she does not recommend extending that principle to the Use Classes Order in the short term, on the grounds that it was revised only recently. (Paragraph 5.9)

4 Draft Planning Policy Statement on Economic Development

In December 2007, the Government published for consultation a draft [Planning Policy Statement 4: Planning for Sustainable Economic Development](#). The general approach was to take more account of economic factors and to base decisions upon evidence. It included the following passage:

Efficient and effective use of land

Due to the increasing demands on the land available for development, local planning authorities should seek to make the most efficient and effective use of land and buildings, especially vacant or derelict buildings (including historic buildings). They should also take into account changing working patterns, economic data including price signals and the need for policies which reflect local circumstances.

To achieve this, local planning authorities should: (...)

Take account of the changing spatial working patterns that advances in information and communication technologies allow, such as live-work units or the use of residential properties for home working;

² <http://www.official-documents.gov.uk/document/other/0118404857/0118404857.pdf>