

# Business Activities Regulated by Local Authorities

Business Information Factsheet

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## Introduction

Local authorities are responsible for enforcing regulations concerning a wide variety of business activities. Local authority structures vary across the UK, and include county, district, borough and city councils. Business owners should consult their own local authority for specific advice and guidance, as local rules and responsibilities may differ from area to area.

This factsheet outlines the main activities that are regulated by local authorities and explains how they impact on business owners. Activities and regulatory functions include planning and building control, licensing of private rented accommodation, licensing for specific business activities, alcohol and entertainment licensing, gambling licences and permits, food hygiene and safety, trading standards, health and safety, pollution prevention and control, commercial waste disposal, employing children under school leaving age, business rates and the provision of Primary Authority advisory schemes.

## Planning and building control

Any building work (whether the business is home-based or located in commercial premises) may need local authority planning permission and building regulations approval. Planning permission may also be required for:

- Changing the use of an existing building.
- Changing the external appearance of a building.
- Putting up a sign or advertisement.

Obtaining building regulations approval is a separate process from applying for planning permission. Depending on the building project, both may be required. Applications can be made via local authority planning and building control services.

## Licensing of private rented accommodation

Some local authorities are responsible for enforcing regulations concerning housing. Landlords who provide private rented accommodation should contact their local authority for advice and information on any local licensing requirements or accreditation schemes.

Landlords of houses in Multiple Occupation (HMOs), which are rented out to three or more people who are not a family but who share the facilities, in England and Wales may require a licence depending on their local authority's requirements. Large HMOs that are at least three storeys high and are shared by five or more people must be licensed. Go to [www.gov.uk/house-in-multiple-occupation-licence](http://www.gov.uk/house-in-multiple-occupation-licence) for more information.

## Licences and permits for specific business activities

A business owner may need to apply for a licence or permit from their local authority before they can start to trade. Types of licence issued by local authorities include:

- **Taxi and private hire licence.** The driver, the vehicle and, in most cases, the business owner all need a licence from the local authority.
- **Market stall licence.** Anyone intending to trade from a market stall in a local authority market must apply for a licence from their local authority.
- **Street trading licence or consent.** Anyone intending to sell goods in the street, but not as part of a local authority market, must apply for a street trading licence or consent from their local authority.
- **Busking licence and street entertainment permit.** Street performers may require a licence or permit, or be required to register with their local authority, depending on where in the UK they are located.
- **Skin piercing licence.** Anyone who provides skin piercing treatments, such as tattooing, ear and body piercing, electrolysis or acupuncture, must register with their local authority. Both the piercer and the premises where the service is provided must be registered.
- **Massage and special treatment licence.** Business owners who plan to offer treatments such as massage, facials, manicures and waxing may need to apply for a licence for their premises from their local authority before starting to trade. The therapists who provide these treatments may also need to register with the local authority.
- **Animal licensing.** Anyone whose business activities involve keeping animals will require a specific licence from their local authority. Business activities that normally require a licence include dog breeding, selling pets, horse riding, animal boarding, training and exhibiting performing animals, and exhibiting wild animals.
- **Sex establishment licence.** Anyone who runs a sex shop, adult store or sexual entertainment venue will require a licence.
- **Campsite licence.** Campsite owners in England or Wales may require a licence from their local authority before opening a campsite.
- **Caravan site licence.** Touring caravan site proprietors usually require a licence from their local authority before they can start trading.

## Alcohol licensing

**In England and Wales** local authorities are responsible for alcohol licensing. Business owners who plan to sell and serve alcohol on a regular basis must apply for a Premises Licence. (Depending on local licensing rules this may also apply to traders such as hairdressers and limousine hire services that serve complimentary alcohol to customers). They must also appoint a Designated Premises Supervisor (DPS) who holds a Personal Licence and will be responsible for authorising the sale of alcohol from the licensed premises. Both licences are granted by the local authority.

**In Scotland** all premises that sell or serve alcohol require a Premises Licence and must employ a Premises Manager who holds a Personal Licence. Both licences are granted by local authority

Licensing Boards, which can also grant 'Occasional Licences'. Occasional Licences permit the temporary sale of alcohol from unlicensed premises by holders of a current Premises or Personal Licence, or representatives of a voluntary organisation.

**In Northern Ireland** alcohol licences are granted by the county court. For more information, go to [www.nidirect.gov.uk/selling-alcohol-in-licensed-premises-and-registered-clubs](http://www.nidirect.gov.uk/selling-alcohol-in-licensed-premises-and-registered-clubs).

## Temporary event and entertainment licensing

Local authorities in England and Wales can also issue Temporary Event Notices (TEN) that permit 'licensable activities' - such as selling alcohol, providing late night refreshment or providing entertainment - on a temporary basis.

In Scotland, using any premises as 'a place of public entertainment' may require a licence from the local authority. Business owners in Scotland should seek guidance from their local authority, as local rules on public entertainment licensing may vary.

In Northern Ireland, business owners require a licence from their local authority to hold indoor live entertainment or open-air music events. Go to [www.gov.uk/entertainment-licence-northern-ireland](http://www.gov.uk/entertainment-licence-northern-ireland) for more information.

## Gambling licences and permits

Under the Gambling Act 2005, gambling is defined as gaming, betting or taking part in a lottery. Business owners who run gambling facilities such as amusement arcades, bingo halls, casinos, betting shops or track betting facilities may need to apply to their local authority for a premises licence.

Specific permits may be required for providing gaming machines and prize gaming on other business or club premises.

Local authorities also grant temporary and occasional use notices that may be required for small lotteries and race nights.

## Food hygiene and safety

All business premises where food and drink is prepared, served, handled or displayed (including vehicles such as ice cream vans and mobile takeaway trailers) must be registered with the environmental health department of the local authority in the area where they are located. The business owner must submit an application for registration at least 28 days before they begin trading.

Following registration, a local authority environmental health officer will inspect the kitchen, bar, serving, eating and proposed preparation areas, as well as the storage areas where supplies are kept. They will continue to inspect the premises, and any statutory documentation systems, on a regular basis.

Food business operators, such as wholesale butchers, that supply products of animal origin may need to be approved rather than registered by their local authority.

Local authorities are also responsible for inspecting food business establishments under the Food Hygiene Rating Scheme as well as enforcing food labelling and information legislation.

## **Trading standards**

Local authority trading standards departments have wide-ranging responsibilities for the regulation of business activities, primarily regarding consumer protection. They are responsible for ensuring fair trading, product safety, accurate trade descriptions, correct sale of age-restricted products, and accurate weights and measures. They have the authority to investigate consumer complaints, and can inspect business premises and test products and services. Trading standards departments can also provide advice and guidance to help business owners trade legally.

Firms that trade in second-hand goods, sell poisons, or operate public weighbridges may also need to register with their local trading standards department.

## **Health and safety**

Local authorities share the responsibility for regulation of health and safety in the workplace with the Health and Safety Executive (HSE). Local authorities are responsible for the regulation of health and safety in shops, offices, warehouses, hotels, restaurants, sports and leisure facilities, consumer services and care homes. The HSE is responsible for the regulation of factories, building sites, farms, railways, mines and quarries, and chemical and nuclear plants.

Local authorities can inspect business premises within their area of responsibility to ensure that workplace risks are being properly managed. They also investigate accidents or complaints. Inspection visits are usually unannounced. In addition to a physical inspection of the premises, health and safety records, including policy statements, risk assessments, and maintenance, training and accident logs, will also be inspected. If any action is needed to improve standards, inspectors can provide written or verbal advice or, if appropriate, they will issue a formal improvement notice or prohibition notice.

## **Pollution prevention and control**

Local authority environmental health departments have some responsibility for regulating pollution prevention and control (PPC). Under the Environmental Permitting (England and Wales) Regulations 2016 and similar legislation in Scotland and Northern Ireland, any business that creates pollution must apply for an environmental permit.

Local authorities are responsible for issuing specific permits that control activities with a range of environmental impacts, including emissions to air, land and water, energy efficiency and waste reduction.

Environmental permits set out conditions stipulating how business owners must minimise and control the pollution their business creates. All environmental permit holders are listed in a public register maintained by local authorities.

## **Commercial waste disposal**

Environmental health departments of local authorities are responsible for ensuring that business owners dispose of their commercial waste properly. However, the responsibility for disposing of commercial waste lies with the business, not with the local authority.

Many local authorities provide commercial waste collection services for a fee. There are also many private sector waste management firms who will handle the collection and disposal of commercial waste. Commercial waste must be collected by a licensed waste carrier.

## Employing children under school leaving age

Anyone wishing to employ a child under school leaving age must inform the education department of their local authority, as they may need to apply for a child employment permit.

Employers of children in entertainment (including television, film, theatre, modelling and paid sport) must apply to their local authority for a Performance Licence.

The precise definition of school leaving age differs from country to country in the UK. For details, go to [www.gov.uk/know-when-you-can-leave-school](http://www.gov.uk/know-when-you-can-leave-school).

## Business rates

Local authorities are responsible for administering the collection of business rates, except in Northern Ireland, where this is the responsibility of the Land and Property Services Agency. Business rates, or non-domestic rates, are charged on most commercial properties, including offices, shops, warehouses and factories, and contribute towards the funding of local authority services.

If a building, or part of a building, is used for business purposes, it is likely that business rates will be payable. This can also apply to business activities carried out at the proprietor's home.

In England, Wales and Scotland, each property is given a rateable value, either by the Valuation Office Agency in England and Wales, or by the Scottish Assessors in Scotland. Business rates are calculated by multiplying the rateable value by an annual multiplier or poundage figure. For more information, go to [www.gov.uk/guidance/valuation-office-agency-and-business-rates-non-domestic-rates](http://www.gov.uk/guidance/valuation-office-agency-and-business-rates-non-domestic-rates) for England and Wales, or [www.gov.scot/Topics/Government/local-government/17999/11199/brief-guide](http://www.gov.scot/Topics/Government/local-government/17999/11199/brief-guide) for Scotland.

In Northern Ireland, rates for non-domestic properties are based on the rental value of the property, which is determined by Land & Property Services ([www.finance-ni.gov.uk/land-property-services-lps](http://www.finance-ni.gov.uk/land-property-services-lps)).

See also BIF061, An Introduction to Business Rates.

The Valuation Office Agency has further information about rates for a home-based business in England and Wales at [www.gov.uk/introduction-to-business-rates/working-at-home](http://www.gov.uk/introduction-to-business-rates/working-at-home). Guidance for Scotland is available at [www.mygov.scot/business-rates-guidance/do-i-need-to-pay-rates-if-i-work-from-home](http://www.mygov.scot/business-rates-guidance/do-i-need-to-pay-rates-if-i-work-from-home), and guidance for Northern Ireland can be found at [www.nibusinessinfo.co.uk/content/rates-and-your-business-premises](http://www.nibusinessinfo.co.uk/content/rates-and-your-business-premises).

## Primary Authority Assured Advice Schemes

Primary Authority was introduced to make the regulation of business more consistent across the UK and enables traders to nominate one local authority as their Primary Authority. Traders then have the opportunity to receive tailored and assured advice through a single point of contact about how to comply with environmental health, fire safety and trading standards regulations. This advice must be respected by other local authorities across the UK.

Primary Authority is based on legal partnerships between local authorities and traders who can either set up their own direct partnership with a local authority to receive specific advice tailored to their particular circumstances, or they can benefit from an existing partnership between a trade body representing their sector and a local authority and can receive assured advice about regulatory issues that is generally relevant to members of the trade body.

Go to [www.gov.uk/guidance/primary-authority-a-guide-for-businesses](http://www.gov.uk/guidance/primary-authority-a-guide-for-businesses) to view a guide to Primary Authority for business.

## Hints and tips

- Local authority rules concerning specific licences and permits can vary depending on where in the UK a business is based.
- Anyone planning to start a business should contact the local authority in each area where the business will operate or trade to check their obligations.
- Any business run from home may be liable to pay business rates.

## Further information

BIF002 An Introduction to Health and Safety Regulations

BIF061 An Introduction to Business Rates

BIF193 A Guide to Food Hygiene Regulations in the UK

BIF259 A Guide to Employing Staff Under 18 Years Old

BIF437 A Guide to Alcohol Licensing in England and Wales

BIF492 A Guide to Alcohol Licensing in Scotland

BIF493 A Guide to Alcohol Licensing in Northern Ireland

## Useful resources

Find your local council

Website: [www.gov.uk/find-your-local-council](http://www.gov.uk/find-your-local-council)

## Useful contacts

The Planning Portal provides online advice and guidance about planning permission and building regulations in England and Wales.

Website: [www.planningportal.co.uk](http://www.planningportal.co.uk)

The Scottish Government is responsible for the planning system in Scotland. It publishes guidance on all aspects of the planning process.

Tel: 0300 244 4000

Website: <https://beta.gov.scot/policies/planning-architecture/>

The Northern Ireland Planning Service is responsible for planning and managing development in Northern Ireland. It publishes advice and guidance on planning permission.

Website: [www.planningni.gov.uk](http://www.planningni.gov.uk)

The Health and Safety Executive (HSE) is responsible for health and safety regulation in England, Wales and Scotland.

Website: [www.hse.gov.uk](http://www.hse.gov.uk)

The Health and Safety Executive Northern Ireland (HSENI) is responsible for health and safety regulation in Northern Ireland.

Tel: 0800 032 0121

Website: [www.hseni.gov.uk](http://www.hseni.gov.uk)

The Food Standards Agency (FSA) is a Government agency responsible for protecting the public's health and consumer interests in relation to food. It provides guidance and information on food safety. There are three national FSA offices in England, Wales and Northern Ireland.

Website: [www.food.gov.uk](http://www.food.gov.uk)

Food Standards Scotland is the Government agency responsible for food safety and hygiene in Scotland.

Tel: (01224) 285100

Website: [www.foodstandards.gov.scot](http://www.foodstandards.gov.scot)

The Gambling Commission regulates gambling in the UK and provides information and advice on licensing issues.

Tel: (0121) 230 6666

Website: [www.gamblingcommission.gov.uk](http://www.gamblingcommission.gov.uk)

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