



Local Government Involvement in the Home Based Business Sector

Discussion Paper

Prepared for Adelaide Metropolitan Area Consultative
Committee

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Consultant Contact: Angela Hazebroek
Urban and Regional Planning Solutions
3 / 207 The Parade
Norwood SA 5067
Telephone: (08) 8333 3335
Email: angela@pp.net.au

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1. BACKGROUND AND INTRODUCTION

This Discussion Paper is one output from the project *Best practice Approach to Supporting and Servicing Residential Enterprises* that has been funded by the Local Government Research & Development Scheme (LGRDS), the SA Government Department of Further Education, Employment, Science and Technology (DEFEST), through the Office of Employment, the Town of Gawler, the City of Playford and the City of Salisbury.

The project was instigated and managed by the Adelaide Metropolitan Area Consultative Committee Inc (AMACC). AMACC is funded by the Australian Government Department of Transport and Regional Services (DoTARS) to work in partnership with business, community and government to identify and address opportunities to achieve economic, employment, social and environmental development. AMACC has been involved with a number of projects that have targeted Residential Enterprises, also known as Home Based Businesses (HBBs), and is convinced that with appropriate services and support, this small business sector could make an even greater contribution to local and regional economies.

The *Best Practice Approach to Supporting and Servicing Residential Enterprises* project will provide a mechanism through which local Councils will be able to fulfil their responsibilities in terms of:

- economic development; and
- improved service delivery to small business.

It has involved the development of a best practice approach (framework) to assist Councils with servicing and supporting Residential Enterprises.

The project methodology has included extensive consultation with local Councils and home based businesses.

This Discussion Paper examines the relationship of Local Government to the home based business sector and identifies a range of roles that Councils could take in supporting the growth of home based businesses. The Paper draws on the input of Council staff from metropolitan, regional and rural Councils to describe their current activities with respect to home based businesses, the impacts that need to be considered by Councils and the potential benefits that could be derived through Councils taking a more pro-active stance.

Workshops held in Gawler, Unley and Port Noarlunga were attended by 29 Council Officers including strategic and statutory planners, economic development officers and staff in the fields of environmental health, building control and community development.

Additional meetings were also held at Robe with 15 planners, building surveyors and environmental health officers from South East Councils and with a cross-section of Council staff, business advisers and home based business operators in Whyalla.

A summary of the proceedings of these workshops and meetings can be found in Appendix A.

2. THE CONTEXT FOR LOCAL GOVERNMENT INVOLVEMENT

The “Best Practice Home Based Business Discussion Paper” October 2003, provided to participants prior to the workshops, highlighted some key features of the home-based business sector in relation to Local Government. In summary, home based businesses:

- are carried out in approximately 12% of all residential premises;
- believe there is inconsistency in the way Council’s understand and apply regulations;
- perceive Councils as opposed to or disinterested in them;
- are cynical that Local Government will assist them;
- are vulnerable due to the lack of formal “approval” to undertake home-based business and the risk that complaints from neighbours could shut them down.

From earlier research that has been confirmed through this study process, it was identified that Councils generally don’t know much about home based businesses, possibly because operators are reluctant to make their activities known to Councils.

Councils already service businesses to a significant extent through their traditional roles of providing infrastructure, planning and environmental regulations and services such as libraries, community venues and waste management.

Some Councils have become actively involved in economic development and business support employing specialist staff or contributing to regional business advice services.

The Local Government Association of South Australia has agreed to challenge all Councils to adopt a business charter by mid-2004. The LGASA acknowledged in its submission to the Senate References Committee that resourcing issues would be a major impediment to Councils providing increased levels of targetted support to small business.

At a national level, the Australian Local Government Association has made a commitment to raise awareness amongst Councils of the social and economic benefits of a vibrant home-based sector and to encourage a consistent and supportive approach to home based businesses.

3. WHAT ARE SOUTH AUSTRALIAN COUNCILS CURRENTLY DOING TO SUPPORT HOME BASED BUSINESSES?

To date there would appear to be little evidence of a strategic and co-ordinated approach by Councils to supporting home based businesses. However, all Councils have some contact with home based businesses and some Councils have provided support targeted towards small businesses.

There are a range of council entry points for people seeking to establish a home based business or for existing operators.

Planning and Development

Some operators of home based businesses may come to Planning Departments seeking approval for their activity or may be referred to Council because they have sought another licence or approval, eg a liquor licence to store and distribute wine from homes.

The response of planners will depend on whether the proposed activity falls within the parameters of a "home activity" as this is defined in Schedule 1 of the Development Regulations 1993.

***"home activity"** means a use of a site by a person resident on the site:*

- (a) that does not detrimentally affect the amenity of the locality or any part of the locality; and*
- (b) that does not require or involve any of the following:*
 - (i) assistance by more than one person who is not a resident in the dwelling;*
 - (ii) use (whether temporarily or permanently) of a floor area exceeding 30 square metres;*
 - (iii) the imposition on the services provided by a public utility organisation of any demand or load greater than that which is ordinarily imposed by other users of the services in the locality;*
 - (iv) the display of goods in a window or about the dwelling or its curtilage;*
 - (v) the use of a vehicle exceeding three tonne tare in weight;"*

A business operation that satisfies the “home activity” criteria does not require planning approval. Operators will usually be provided with a Fact Sheet on Home Activity. If the nature of the activity involves other regulations such as those associated with food handling or waste water disposal, then the operator would be referred to the Councils’ Environmental Health Department.

In 2000, the City of Marion conducted an extensive project involving home based businesses. As a result of this project, the City of Marion keeps a register of all those businesses that meet the “home activity” criteria where operators have made contact with Council. This provides some protection for the applicant from vexatious neighbour complaints provided the operations have not changed so that they no longer comply with the “home activity” criteria. It also enables Council to refer back to what was originally proposed should the nature or scope of the activity change. (The City of Marion initiative was supported by funding from the Australian Government through AMACC.)

A small number of Councils have specific policies for home based businesses that do not fit the “home activity” criteria. Applicants would be required to seek Development Approval for these types of activities conducted from their residential premises and these Applications are assessed on their merit against the policies. The City of Onkaparinga has two Home Industry Zones and the Residential (Hackham) Zone that encourage home based businesses. Floor areas for the businesses tend to range between 50 and 100 m². Examples of such policies are contained within Appendix B of this Discussion Paper. An assessment of how effective these policies are has not been undertaken.

The City of Salisbury has supported the introduction of a new residential product at Mawson Lakes designed specifically for home based businesses, featuring dual street frontages to enable separation of living and working areas. However, this product has recently been withdrawn from the market by the development company due to a lack of take-up. Nevertheless, both Council and the developer are encouraging suitable home based businesses (eg home office) within the wider Mawson Lakes residential area subject to appropriate separation of living and working areas and to managing potential impacts associated with noise and car parking.

Environmental Health

The operation of some types of home based business require approval under environmental legislation, and therefore, operators may contact Council directly or come to Council's attention because of neighbour complaints possibly related to noise, odour, traffic or disposal of waste material.

Environmental Health Officers provide guidelines for particular activities such as food preparation and dog washing. They also provide education and information on a one-to-one basis when dealing with complaints.

Building Design and Controls

Planning SA and Council Officers have informed the project group that Building Code of Australia Section A3.3 – 'Multi-Classification' and Sections A3.4 'Parts with More than One Classification': need to be considered when discussing the concept of home business.

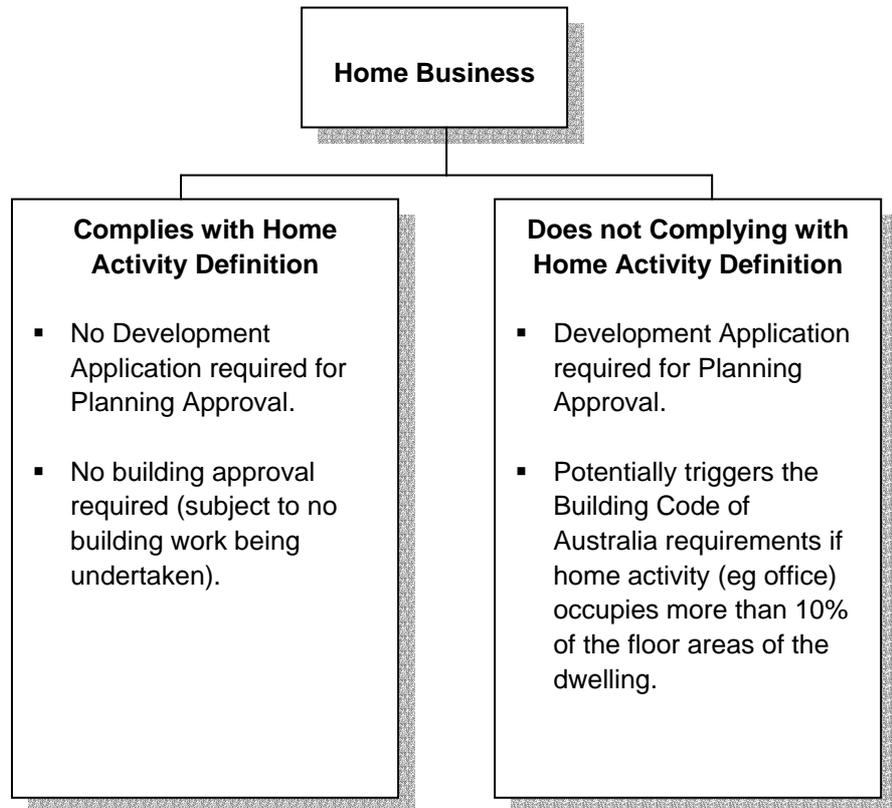
If a home business falls outside of the criteria of "home activity" as defined by the Development Regulations, it may be deemed to be "development" as defined by the Development Act. Refer to Flow-Chart 1.

Once classified as development, the provisions of the Building Code of Australia (BCA) will be triggered. That is, all "development" needs to comply with the BCA. This is a key point, in that, home businesses that meet the definition of home activity do not need to be referred to Council's building officers.

The BCA classifies a range of building forms such as dwellings, garages, offices and warehouses. Each classification triggers different building standards relating to issues such as fire safety, disabled access, access to bathrooms, etc.

Dwellings are classified as "Class 1.A" buildings, while offices are classified as "Class 5" buildings.

Section A3.3 of the BCA indicates that if more than 10% of a building is used for a different class of activity, the building requires two separate classifications. That is, if a home office occupies more than 10% of a dwelling's floor area, the home office should be classified as an "Office – Class 5". This classification may have a range of cost and resource implications for the home owner as a business operator. Such costs may relate to modifications to the dwelling to comply with fire safety, access for people with disabilities and separate toilets for male and female employees.



Flow Chart 1

Business Support and Advice

In conjunction with State Government, many Councils provide financial support to Regional Development Boards and Business Enterprise Centres. These organisations provide assistance with business development, marketing and training to a range of business enterprises including those operating from residential premises.

Some Councils have dedicated Economic Development staff who work with a range of business and industry sectors to enhance and facilitate local employment opportunities, economic viability and export outcomes.

For example, the City of Salisbury has established a Business and Export Centre and Playford and Gawler Councils contribute to the Northern Adelaide Business and Enterprise Centre. In neighbouring Tea Tree Gully, the Business and Enterprise Centre is developing a home based business data base to enable provision of

information and networking opportunities. This Tea Tree Gully project has also been funded by the Australian Government through AMACC.

Other Council Services

Libraries and internet facilities in community venues are available as resources to home based business operators. Many Councils also provide low cost meeting facilities. Additional Council services include self-help brochures, information directories of existing community and businesses uses within the council area. The Small Business Management Library is currently being established in the Hutt Street Library by Adelaide City Council in partnership with the State Government.

Rating Policy

It would appear that most Councils do not have a policy to separately rate the proportion of a residential building used for business purposes, probably due to administrative difficulties associated with identifying those houses operating businesses, and in quantifying areas used solely for the business. This residential rating certainly represents a benefit to this small business sector and may be viewed by Councils as a way of providing support. It was apparent during consultations for this project that some Council staff regarded this differential treatment as potentially discriminatory against smaller businesses operating from commercial premises.

Careful consideration should be given by Councils to pursuing a policy of separately rating the proportion of a dwelling used for business purposes as the process is likely to result in severe imposts on resources, and in the potential discouragement of home based business operators.

4. THE RATIONALE FOR COUNCIL INVOLVEMENT

Some Council staff, reflecting the views of their organisations, asked whether supporting home based business was a role for Local Government. These Councils consider that economic development is the responsibility of the State Government, although the Local Government Act 1999 clearly establishes an increased responsibility for Local Government in supporting local, regional and economic development.

Other Councils consider that they have a role in providing a framework that supports business growth and development and encouraging activities that lead to greater community vitality and safer neighbourhoods.

These Councils also consider that greater involvement by Local Government could contribute to better management of the impacts potentially associated with home based businesses.

There was also a suggestion that providing a more supportive environment could enable small businesses to start up and then make the transition out of home when necessary. However, research for this project indicated that by far the majority of home based businesses intended to stay at home.

4.1 Benefits to Councils of Increased Involvement

Councils which take a more proactive approach to identifying and offering support to home based businesses could achieve the following benefits:

- greater awareness of the activities being undertaken and interaction between these activities in particular residential neighbourhoods;
- provision of a greater degree of certainty to operators and clarification of the conditions under which they operate may reduce neighbour complaints and reduce the risk of business failure;
- reduction of health and environmental risks related to aspects of business operation such as chemical storage and use, food handling practices and waste disposal;
- a stronger business community through providing or promoting access to networks;

- vibrant communities where people who work from home are present during the day using local shops and services and contributing to passive surveillance and safer neighbourhoods.

4.2 Benefits for Home Based Businesses

A process which results in a register of “home activities” or planning approval for home businesses will provide operators with greater certainty. This may help in securing finance and other approvals. It can also be a mechanism for managing neighbour complaints and resolving potential conflicts.

If Councils are seen by these businesses as a source of practical information, this may reduce isolation and improve business performance as businesses may then choose to make more effective use of available resources such as business networks and professional advice.

There is evidence to suggest that a supportive environment will help home based businesses to maximise their success and potential for growth.

4.3 Disadvantages for Councils of Increased Involvement in the Home Based Business Sector

One of the primary concerns for Councils is the potential increased pressure on Council staff and demand for resources in an environment where most Development Assessment Officers are already operating beyond reasonable capacity.

Councils may also be seen as lacking the experience and skills to provide appropriate business development and support. There is a perceived danger that Councils duplicate the role that is being performed by others, who are better placed to do the task eg. Regional Development Boards, Business Enterprise Centres (BECs).

A real issue for Councils is the potential consequences of their support of home based business. Home based businesses can have a range of detrimental impacts on neighbourhood character and amenity including noise, increased traffic and reduced car parking, unsightly storage areas or signage and waste disposal. The hours of operation can also cause conflict with residential neighbours. Councils may find themselves increasingly involved in mediating disputes and enforcing conditions with consequent impacts on resource availability.

Businesses paying commercial rents and rates in other locations may consider that Council is not behaving equitably if it openly encourages home businesses that could directly compete with these businesses.

Similarly, residential neighbours may view it as unfair that a person who is deriving an income from their property is paying the same Council rates as a person who is not.

One key disadvantage for Councils is that as many home based businesses desire to keep a low profile, their resistance to “being found out” may mean Councils could expend a lot of effort for limited return.

4.4 Disadvantages for Businesses

Formalising the approvals process will increase cost and complexity for home based businesses mitigating against their reason for choosing to work from home. If approval results in a loss of anonymity, this could lead to increased neighbour complaints.

Many home based businesses are probably “invisible” to their neighbours causing no more impacts than other residential activities. They may reasonably consider that retaining the status quo is in their best interests.

If Councils are seen as tightening up on regulations, this may cause businesses to go “underground” and operate without other approvals. Overly bureaucratic processes may lead to business failure in some emerging or marginal home based businesses.

The following actual situation is presented as an example to highlight a local governments position in respect to home based businesses.

A double garage on a residential site fronting a major arterial road in a residential locality was used for baking cakes. No retail sales were made from the site. The bakery process took place for approximately 15 hours per week. No complaints from neighbouring residential properties were recorded during previous operation between 1993 and 1997.

An elderly woman resided at the mentioned home business site and until recently, when her health deteriorated, was responsible for doing the baking. The son of this elderly woman decided to move back home to provide care for his mother and to continue the home business in the same location.

Given that the bakery business occupied an area of some 40 square metres (some 10 square metres more than the home activity definition limit), the son decide to “do the right thing” and submitted a development application for approval as a small scale

home business. The relevant planning authority (Council) deemed to process the application as a non-complying form of development and recommended refusal. This process does not allow the applicant to present his case nor have the ability to appeal Council's decision.

This occurred within the context that no complaints were previously received and that the home business only failed to comply with the home activity definition as a result of some 10 square metres.

5. WHAT ACTIONS CAN COUNCIL TAKE TO SUPPORT HOME BASED BUSINESSES?

Weighing up the potential advantages and disadvantages, it seems clear that most Councils would want to provide appropriate levels of information, regulation and support to enable home based businesses to operate effectively and contribute positively to the local economy and community. This section outlines a range of actions that Councils could consider taking to assist appropriate home based businesses prosper and grow.

Any response, however, needs to recognise the differences between Councils responsible for administering metropolitan suburbs, regional cities, outer metropolitan areas, country townships and rural residential areas.

As highlighted in the discussion below, the kinds of home business activities that are likely to be considered appropriate vary greatly between those operating in a rural setting or country township and those occurring in urban areas.

5.1 Acknowledging the Differences Between Urban and Rural Areas

The workshops highlighted the different approaches taken by rural Councils and outer metropolitan Councils with rural areas and country townships in their area.

The kinds of home based businesses that are considered acceptable in a rural area or a country township are quite different to those suited to more closely settled metropolitan residential areas. Larger allotments and more sparse settlement would allow Councils to consider approving activities such as mechanical repairs; truck storage; small scale production, eg of beverage or food products; farm gate sales of flowers, fruit, herbs and vegetables; tank based aquaculture and dog kennels for breeding and boarding. These would clearly fall outside of the usual criteria for “home activity” especially related to size of vehicle and scale of operations. However, most Councils would make an on-merit assessment that balances their likely impacts against the nature of the operating environment. Rural Councils consulted for this project identified themselves as pro-development and therefore unlikely to restrict these kinds of operations.

Sometimes in outer metropolitan areas, a home based business is meeting a need for services not provided for elsewhere (eg. in the town centre), and so Councils are generally supportive.

Regional City Councils experience the same kinds of potential conflicts between businesses and neighbours as in metropolitan residential suburbs, however, there may be more opportunities for low cost alternatives to a home base in vacant shops or offices.

5.2 Planning Policy Response

There were a range of views expressed by Council Officers regarding the desirability of a change to planning policy to facilitate the establishment of appropriate home based businesses. These can be broadly summarised as:

- (1) changes to the planning system at the State Government level;
- (2) changes to residential policies at the zone level in Council Development Plans;
- (3) a combination of changes to regulations, State and Local Government policies; and
- (4) no change to the existing system.

The rationale for each of these approaches is outlined below.

State Government

Regulation Change

Changing the Development Act's definition of "home activity" appears to be warranted. The following table indicates potential amendments to the definition.

Existing Home Activity Definition	Options for Consideration
<p>Home activity means a use of a site by a person resident on the site:</p> <p>(a) that does not detrimentally affect the amenity of the locality or any part of the locality; and</p> <p>(b) that does not require or involve any of the following:</p> <p style="padding-left: 20px;">(i) assistance by more than one person who is not a resident in the dwelling;</p> <p style="padding-left: 20px;">(ii) use (whether temporarily or permanently) of a floor area exceeding 30 square metres;</p>	<ul style="list-style-type: none"> • Clearly articulate what is meant by site (eg building floor space or/and outside area) • Consider providing greater clarity regarding what triggers "detrimentally affect locality". • Consider changing reference from "one person" to full time equivalent (FTE) staff and thereby promoting part-time employees. • Clarify if common areas such as hallways and bathrooms should be included in floor area calculations.

Existing Home Activity Definition	Options for Consideration
	<ul style="list-style-type: none"> • Increase minimum size of floor area and/or link it to a proportion of the size of the dwelling's floor area. *
<p>(iii) the imposition on the services provided by a public utility organisation of any demand or load greater than that which is ordinarily imposed by other users of the services in the locality;</p> <p>(iv) the display of goods in a window or about the dwelling or its curtilage;</p> <p>(v) the use of a vehicle exceeding three tone tare in weight.</p>	<ul style="list-style-type: none"> • Consider amending reference from "locality" to "the portion of the locality contained within the subject site's zone". Thereby avoiding inclusion of non-residential localities. • Consider supplementing this clause and changing the Development regulations to permit business name plates of a practical size on the building's front elevation.

* Changing the floor space definition of home activity to ensure larger home offices are not classified as development results in removing the need to trigger the Building Code of Australia (BCA) and therefore avoids the costs associated with complying with the BCA.

Schedule 3 of the Development Regulations (Clause 5: Use of land and buildings) lists a "home activity" as an activity which cannot be classified as "development" by the Development Act. However, if the non-residential use of a portion of a dwelling does not satisfy all of the criteria for a "home activity" identified in Schedule 1 of the Development Regulations, it does not automatically become a form of development. If a Council considers that the proposed use is ancillary to the existing residential use of the property, then Development Approval is not required.

While activities such as amateur radio operators or bird keeping may be considered as ancillary uses on a residential property, business activities such as an accountant, IT Consultant, town planner or hairdresser operating from an existing residential property would generally not be considered to be ancillary uses. These types of land uses that are neither ancillary to the existing residential use of a site or a form of home activity require Development Approval.

Policy Response

It was also suggested that the Better Development Plan Programme could include a module for home based business provided that the difference between urban and rural settings can be accommodated.

Taking a State level approach to a policy framework for home based businesses was considered to provide potentially greater consistency between Councils.

Changes to Council's Development Plans

Councils could follow the lead of those Councils such as the City of Unley that have introduced policies into their Residential Zones to enable the consideration on-merit of home based offices with a floor area of up to 50 m². They could ensure that policies address other impacts of home based business development including traffic, on-street car parking, visual amenity, air and noise pollution.

The benefits of making policy changes at the local level include Council's ability to tailor these policies to the specific zone characteristics and local requirements. This enables the consideration of home business policy areas or home industry zones where home based operations may assist in retaining the residential character of an area experiencing pressure for commercial development. Home based businesses could be a transitional use or buffer between commercial zones and residential areas, especially along main roads.

Local level policy changes also enable Councils to differentiate between rural and urban areas and within those areas according to allotment size, buffer distances and the scale and nature of existing development.

Combination of Changes to State Regulations and Local Policy

Options 1 and 2 are not mutually exclusive. It would be possible to change the definition of home activity and include policies to guide assessment of other forms of home based business in Council Development Plans.

Retain the Existing System

The view was expressed at one of the workshops that the existing planning regulations were adequate and that what was required was a consistent interpretation by Councils and accurate information provision by Councils about the guidelines for “home activity”. This opinion revolved around the perspective that businesses that did not meet the home activity guidelines should be subject to careful scrutiny because of their potential impacts on neighbourhood character and amenity. Existing policies in residential zones were considered to provide an adequate tool for assessing these impacts.

Other participants at this workshop and the majority of participants at other workshops considered that most Councils operate in a policy vacuum with respect to home based businesses. A consistent and coherent policy framework was supported whether that is provided at the State or local level or both, through a combination of universal regulation and targetted policy.

5.3 Provision of Information and Support

The provision of information and support was seen as a key activity area for Councils acting alone or in partnership with other Councils, Regional Development Boards and Business Enterprise Centres.

Developing a “key contacts” list of internal Council staff who have responsibility for different areas that affect home based businesses was seen as an achievable and useful initiative.

Councils can also demonstrate their support by providing access to resources and meeting facilities.

Consultation with home based business operators revealed that key areas of support that would contribute to their ability to grow were:

- business advice;
- accounting / simple book keeping;
- mentoring / forums that bring together experienced businesses and those just starting up;
- cheaper communication, especially broadband access.

While it may not be the role of Councils to directly provide these services, Councils could collate relevant information and/or act as a point of referral to the appropriate service provider. Information should be provided in languages other than English.

Councils can also provide access to training in food handling or safe use of chemicals.

A Council could also provide links to useful information via its website and showcase home based businesses in Council publications and through community events.

Council may provide targeted information to assist specific groups in the community to develop home based enterprises. Examples include young people, recently arrived immigrants of non-English speaking background and Aboriginal and Torres Strait Islander peoples.

Councils could assist businesses to manage the transition from home to commercial premises when they have outgrown a residential location. Working with Development Boards and other potential investors, Councils could access various existing programs and support networks for small businesses.

Contributions by Local Government to collaborative research, such as this project, and funding to enable home based businesses to work together to develop practical support mechanisms could assist in growing the home based business sector.

5.4 Council Systems and Processes

A key challenge will be to change the culture within some Councils and the attitudes of some Council Staff and Elected Members so that everyone understands the need for all Councils to support the home based business sector.

The social, economic and environmental benefits that home based businesses bring to the community is not widely appreciated. The concept of home based business needs to be better understood within and across the various Council departments so that Councils can promote and support this sector of the local economy.

Early consultation will be required between staff involved in economic development and the provision of business advice, and the planners and builders who must assess the proposed activity against existing regulations and policies.

Better links would appear to be necessary between the potential entry points for a home based business operator to ensure a consistent and co-ordinated approach. Timely referrals will ensure that necessary environmental, public health, planning and building requirements are considered in a way that reduces bureaucratic frustration and costly delays for the home based business.

6. RECOMMENDED FUTURE DIRECTIONS

The following recommendations are provided to prompt discussion by the Project Steering Committee and feedback from those Council officers consulted through the workshop process. They will be refined and incorporated into the Guidelines for Local Government to be prepared in the next stage of the project.

Recommendation 1: Councils to ensure that recognition of the contribution of home based businesses to the local economy **is identified in their Strategic Management Plan** and that these policies inform Council operations across the organisations.

Recommendation 2: Councils to establish and maintain a **register of home based businesses** based on those people who are sent or provided with a Home Activity Fact Sheet. Sufficient detail of the nature of the activity is required to enable protection of operators from vexatious neighbour complaints.

Recommendation 3: Each Council to prepare an **Internal Staff Contact List** indicating which person or position is responsible for particular issues likely to be relevant to home based business operators. This Contact List would be provided to Customer Service staff and duty officers in the areas of planning, building and environmental health.

Recommendation 4: The Project Steering Committee and the Local Government Association of SA approach Planning SA to seek a **review of the existing definition of home activity and a change to the Development Regulations** to clarify those attributes that could trigger a change from “home activity” to development and to raise the threshold above that referred to in the Building Code of Australia (ie to make it less likely that the proportion of the residence used for business purposes is greater than 10% of the total floor area).

Recommendation 5: Planning SA be requested to include Home Based Businesses in the **Better Development Plan Programme** by developing a **policy template** that

could be adapted by Councils to acknowledge the differences between urban and rural operating environments.

Recommendation 6: Councils seeking to encourage home based businesses, outside of the “home activity” criteria, undertake a **review of their residential policies** and identify areas where such development could be considered appropriate. Alternatively, Councils could introduce policy provisions across the Council area **that would enable on-merit assessment** of such activities within residential areas, where the operator lives on the premises.

Recommendation 7: Councils to actively review the information they are able to provide to home based businesses and seek to develop a **package of guidelines, key contacts and useful information** to assist operators both at the start up phase and when they are considering a transition to commercial premises. This information could also be accessed via published **web site links** and be available in the main **languages other than English** spoken in the Council area, particularly by recent immigrants. Such information should be regularly reviewed and updated.

Recommendation 8: Councils to **review their internal communication processes** to ensure a **consistent and co-ordinated message** is provided to home based business operators, directly when they make contact with Council and indirectly through Council publications. The achievement of this outcome may require **active discussion of the role and responsibility of Council towards home based businesses and their neighbours**. Some staff and elected members may need information to assist them to understand the rationale for a more proactive approach by Council.

Recommendation 9: Better links between Councils, Regional Development Boards, Business Enterprise Centres and other avenues of advice and support for small business will ensure the most effective use is made of available resources and the most relevant skills are applied to the tasks. Given the exponentially increasing demands on Councils to take on new roles, it is important that they avoid duplication of effort.

7. CONCLUSION

Home based businesses offer their communities and cities unique benefits including local employment, wealth creation, neighbourhood vibrancy, vitality and safety. Yet these businesses have been “doing it tough”, often the subject of suspicion by neighbours and misunderstanding by councils and the community. Thus, these businesses are hiding at home, reluctant to show themselves for fear of the threat of closure or being moved.

The reality is that the nature of home based business is significantly different from stereotypical views. Many actually perform work “on-site”, away from the home environment and simply do their book-keeping and paperwork at home. Many others work at a desk and computer all day, and are not an inconvenience to neighbours.

Home base businesses are not short term ventures. Research for this project shows that the average age of businesses surveyed is 10 years.

Many home base businesses make a significant contribution to the local economy. The research indicated that 11% of these businesses individually generate over 500,000 million dollars in revenue annually.

Much of what Local Government can do to support home based businesses and help them grow is already occurring. The real benefits will come from a more conscious recognition of the need to make links within Councils between staff in a range of areas and to collaborate with other community based business support services. Consistent information and assistance with compliance in regard to key regulatory requirements will reduce perceptions of Councils as being disinterested or overly bureaucratic.

A review of the Development Regulations to introduce more clarity and flexibility into the definition of home activity would appear to be warranted. Some Councils may also seek to provide greater certainty to home based businesses and their residential neighbours by introducing policies to enable a performance based assessment of the impacts of the activity. Councils would then be in a better position to ensure that off-site impacts are managed in a way that contributes to positive community perceptions of home based businesses.

APPENDIX A

Summary of Workshop Proceedings

GROWING HOME BASED BUSINESSES

SUMMARY OF NORTHERN REGION WORKSHOP Gawler Council Chambers Monday 17 November 2003

1. INTRODUCTION

The northern metropolitan region workshop was attended by 12 people representing seven Councils.

Following a presentation about the AMACC Project and an overview of some of the initial findings with respect to the relationship between Local Government and the home based business sector, participants discussed the advantages and disadvantages of Council involvement.

2. WHAT ARE COUNCILS CURRENTLY DOING?

Councils use the definition of Home Activity in the Development Regulations to determine whether a home based business needs to lodge a development application. Planners provide advice sheets on "home activity" for residents.

Mallala Council has specific policies for home based businesses in the Development Plan to enable on merit consideration. Playford applies performance criteria in residential zones to assess home based businesses that fall outside the home activity criteria.

Councils have specific guidelines for activities regulated by other acts such as food preparation and dog washing.

The Mawson Lakes development is providing a building product designed with two street frontages to suit a home based business.

Some Councils have been involved in providing support to small businesses. The Salisbury Business and Export Centre provides advice to minimise risk to start-up businesses. Mallala has worked with the Yorke Development Board to provide training, joint marketing, eg for emerging organics industry.

Regional Development Boards and Business Enterprise Centres provide business advice. These bodies are often supported financially by Local Government.

Council staff provide education and information on a one-to-one basis. Environmental Health Officers (EHOs) are often the first point of contact either in response to a complaint by neighbours or a direct approach by the operator.

Councils provide resources through their libraries and internet facilities in community spaces. They also assist by providing meeting facilities.

Tea Tree Gully is working with EHOs and IT staff to develop a home based business database.

3. WHAT ARE THE POTENTIAL ADVANTAGES AND DISADVANTAGES OF LOCAL GOVERNMENT INVOLVEMENT?

Advantages

The following advantages of increased Local Government connection to home based business were identified by participants:

- bringing them into the statutory planning system;
- ability to reduce risk associated with home-based businesses, eg health risks related to chemical use, safe food handling;
- minimise neighbour complaints by being able to advise neighbours what to expect;
- contribute to increased potential employment opportunities;
- support a low cost, low risk setting for innovation and development of new enterprises;
- better links to financial and legal advice, business support and marketing;
- reduced isolation by providing or promoting access to networks;
- environmental benefits if fewer people use cars for daily journey to work.

Disadvantages

The following disadvantages for Council were identified:

- increased pressure on staff / demand for resources;
- if Council endorses a situation that causes negative impacts this could cause bad PR;
- if neighbours are in dispute Council gets called in to resolve disputes;
- distrust of Council by home based businesses / Council seen as interfering;
- potential conflict between like businesses in commercial locations and home based businesses paying lower rents and rates;
- potential perceptions of neighbours regarding equity and fairness, eg they are getting an income from their property and yet they pay the same rates;
- does Council have a legal liability if home based businesses cause damage to others?

For businesses, the disadvantages could be that:

- the need to get approvals increases costs and complexity;
- their loss of anonymity leads to increased neighbour complaints.

Defining Home Based Businesses

Participants discussed the range of activities that qualified as home based businesses. These differed between rural and urban locations. In rural areas the following activities could be considered:

- small scale production, eg micro wineries / breweries – sales and tasting;
- tank based aquaculture;
- tourism / bed and breakfasts;
- larger trucks and on-site storage;
- retail associated with activity;
- animal breeding;
- dog kennels and catteries.

Activities that participants had encountered in rural or urban settings included:

- hairdressing;
- child care;
- supported residential facilities;
- mobile businesses / trades / home services;
- flower / vegetable sales (roadside stalls);
- consultancies – accounting, IT, other professions;
- cabinet makers / craftspeople;
- allied health / services;
- food preparation / catering;
- teaching / tuition – dance / music, etc;
- repairs;
- party plan.

Some unusual suggestions included mortician, taxidermist and of course, the illegal brothels.

People generally agreed that showrooms, motor vehicle repairs and semi-trailer parking would not constitute appropriate home based businesses.

Impacts of Home Based Businesses on Others

Participants identified a range of impacts that some home based businesses might have on their neighbours. These include:

- noise;
- air pollution;

- traffic generation;
- public safety, eg storage of chemicals;
- character and amenity / litter / on-site mess;
- odour problems;
- signage;
- hours of operation;
- management of solid and liquid waste;
- economic impacts on similar businesses in commercial zones.

Councils considered that they need to balance their support of home based businesses with the rights of other residents.

There is a potential role for self-regulation and compliance with industry standards and codes of practice to achieve clear goals, eg quality assurance / marketing support as has occurred with Food Barossa Inc.

Impacts of Council Policy on Home Based Businesses

Concerns were expressed by participants that Council involvement could lead to an increase of red tape that increases costs and time involved in compliance, especially if they are required to comply with other legislation. For fledgling businesses this could stifle growth and even result in closures.

However, if home-based businesses are not recognised by Council's planning policies, there is a lack of protection and potential difficulties in obtaining finance.

Increased regulation could increase insurance costs and if it leads to notification to neighbours, there may be more neighbour complaints. There may also be security impacts due to risk of burglary once activities are known.

Potential Local Government Response

It was considered that Councils could provide **information and support** to home based businesses by:

- ensuring Council has the right information to help people;
- facilitating access via an appropriate website;
- exploring the potential to obtain funding and/or sharing resources to provide an officer to support businesses;
- making small grants available to seed funding co-operation between home based businesses;
- providing venues and meeting facilities;
- facilitating the development of networks;

- working with people of non-English-speaking background by translating information and increasing their access to business support services;
- undertaking research on formal / informal networks;
- showcasing home based businesses in Council publications/ community events.

Improvements to the Planning System could include:

- a review of the existing 'home activity' definition to determine whether it is still relevant;
- introducing policies for home based businesses that fall outside the definition;
- asking Planning SA to include a policy template in Better Development Plans;
- looking at buffer distances for some uses;
- exploring the potential for defining Home Activity Policy Areas to acknowledge existing uses or encourage new developments.

It was considered important that regulation not be increased unnecessarily. An agreed planning policy framework may allow less regulation.

Councils could assist businesses **manage the transition from home to commercial premises** by promoting market opportunities, encouraging Development Boards / others to establish incubators and assisting in identifying suitable sites, vacant or under-utilised centres.

Council staff can help businesses to re-assess their impacts and link them to Business Planning processes and support. Some Councils suggested using a Business Newsletter to advertise vacant premises.

Councils can also help by opening up channels of communication and **promoting links across disciplines** and between Councils and Business Enterprise Centres and Regional Development Boards.

LIST OF PARTICIPANTS

Carmel Rosier, Town of Gawler
Sonia Manley, Town of Gawler
Ian Baldwin, The Barossa council
Louis Monteduro, The Barossa Council
Michael Richardson, District Council of Light
Henri Mueller, District Council of Mallala
David Storey, City of Playford
Maggie L'Estrange, City of Tea Tree Gully
Rita Giannantonio, City of Tea Tree Gully
Chantal Milton, City of Salisbury
John Doughty, Salisbury Business & Export Centre
Nicole Newton, City of Salisbury

THE ROLE OF LOCAL GOVERNMENT IN GROWING HOME BASED BUSINESSES

SOUTHERN SECTOR WORKSHOP Patricia's Restaurant, Port Noarlunga Wednesday 19 November 2003

1. INTRODUCTION

This session was conducted differently as it was attended by 4 participants. The format was more of an open discussion related to Council's experiences of home based businesses and existing and potential policy responses. Three of the participants were planners with considerable experience in writing policy and assessing development applications. The fourth person is involved in community development including local enterprise initiatives.

2. COUNCIL'S EXPERIENCES OF HOME BASED BUSINESSES

Council is consulted when operators need a liquor license to store and distribute wine from home. Council needs to approve the activity.

Marion Council keeps a 'home activity' register as a protection for the applicant. It is in the process of developing a property based GIS system that enables "home activity" to be entered with the property details.

When the NEIS scheme was operating, applicants needed a letter from Council to acknowledge that they had advised Council they were planning to undertake a home activity.

Councils do not rate home businesses at commercial rates. It is seen as a good way for businesses to get a start.

3. DEFINING HOME BASED BUSINESSES

Planners tend to use the level of impact related to the scale of activity as the key determinant of whether a home based business goes beyond what is envisaged as a 'home activity'.

Often Council doesn't know about the activity especially if neighbours don't complain. There could be concern about home businesses competing with shopping centres – Councils would take a case-by-case approach. For example, if the home based business is servicing a need in the community and there is no other opportunity to provide that service in the local area, Council is likely to be supportive.

4. EXISTING POLICY RESPONSES

Onkaparinga has two Home Industry Zones and the Residential (Hackham) Zone that encourages home based businesses. The Home Industry Zone at Old Noarlunga has evolved over time and is quite successful with floor areas of 50 – 100 m². Applicants must lodge a development application. The zone has made the whole area more viable. The Aldinga Zone next to the District Centre has not been developed yet.

Marion Council rezoned the triangle around the Regional Centre in the vicinity of Sturt Road, Morphett Road and Oaklands Road from residential to higher density residential, rather than to commercial uses in spite of some pressure to do this. There is still a question mark about the commercial / residential mix.

Main Roads such as South Road and Brighton Road are the focus for conversion of remaining residential properties to commercial uses. Councils struggle to hold the residential line, although Holdfast Bay is strengthening its policies.

Transport SA is generally opposed to expansion of Commercial Zones on arterial roads as this can increase demand for access points.

There is a sense that some residential areas on main roads are transitional zones that will become more commercial over time. They may be suitable for Home Business Policy Zones.

5. IMPACTS OF HOME BASED BUSINESSES

Any home based business has some impact in a residential area. It is the inappropriate ones such as mechanics, spray painters, front yard second hand car sales that cause most problems.

Noise, odour, car parking and traffic issues cause the most complaints.

They can be perceived to compete unfairly with those who pay commercial rates in centre or commercial zones. Given the high vacancy rates for some centres / commercial premises, too much emphasis on home businesses could be counter-productive for local economic activity.

6. HOW CAN LOCAL GOVERNMENT SUPPORT HOME BASED BUSINESSES

Councils need to recognise the link between home based business, employment and enterprise innovation. Many women who work in home based businesses are not counted as employees because they are not paid a wage. Young people are frequently involved in starting their own business as a way out of the unemployment trap. It was suggested that 12% of people under 30 are running their own business. It can be difficult for young people to find a suitable low cost premises, especially if landlords, including the South Australian Housing Trust, are perceived to discourage use of rental properties for non-residential purposes.

A key requirement of all new businesses for information and advice.

Sources of advice include the Southern Success Business Centre and local business associations.

Young people can get help through the Youth Enterprise Centre at Reynella.

Onkaparinga Council is involved in a similar scheme at Aldinga where young people can be taught a trade and then assisted in setting up their own business.

Neporendi is an example of an Indigenous employment project that is going really well. Council staff have provided training in food handling practices for the bush tucker and catering activities.

7. POSSIBLE PLANNING POLICY RESPONSES

It was suggested that Home Business could be picked up in the State Government's Better Development Plans. However, the difference between urban and rural areas needs to be recognised, eg on 1 ha allotments, nurseries, dog kennels and car repairs could be appropriate.

Policies for Home Based Businesses (greater than 'home activity') need to be introduced into Council's Development Plans as an on-merit land use activity.

Defining the floor area needs careful consideration, eg do you include storage as part of the floor area?

8. OTHER RESPONSES

Even when a home activity is not development, it may still need to meet health, environmental or building legislation requirements.

A person undertaking a 'home activity' may approach Council through a range of different people or be approached by them in response to a complaint. Councils need to have a Guide or Contact List that clearly identifies who in Council is responsible for specific legislation / approvals.

Information provided by Councils should be available in languages other than English.

LIST OF PARTICIPANTS

David Melhuish, City of Marion

Peter Allen, City of Onkaparinga

Karen Wyld, City of Onkaparinga

Kym Wundersitz, City of Holdfast Bay

SUMMARY OF WORKSHOP HELD AT THE CITY OF UNLEY 20 NOVEMBER 2003

The Role of Local Government Growing Home Based Businesses

1. INTRODUCTION

Thirteen people from 10 Councils participated in the workshop held at the Unley Civic Centre on Thursday 20 November 2003.

2. ADVANTAGES AND DISADVANTAGES OF LOCAL GOVERNMENT INVOLVEMENT IN THE HOME BASED BUSINESS SECTOR

2.1 Advantages

Council involvement can support business growth, provide local employment, assist in provision of local services and increase community vibrancy.

Council can also provide networking opportunities to legalise or formalise activities. Providing a supportive environment will enable small businesses to start up and then make transition out of home when necessary.

2.2 Disadvantages

Supporting home based businesses could be seen as “yet another challenge” for Councils to take on, creating a drain on Council resources. Council’s may lack the experience and skills to provide appropriate business development and support. There is a danger that Councils duplicate this role being performed by others.

Home based businesses may be seen as contributing to the erosion of residential character and causing increased levels of conflict with the neighbours. Council gets involved in mediating disputes and enforcement of conditions.

There is a general perception by business that Councils are not supportive. If people don’t want to be found there may be a lot of effort for little return. Some Councils consider economic development to be a State Government responsibility. There can be conflict within Councils when one area is facilitating business development and another is involved in regulating the activity.

Questions can be raised about the equity of home based business which enjoy lower costs and pay less rates than similar activities in commercial zones.

3. DEFINING HOME BASED BUSINESSES

Participants identified some overarching criteria, namely:

- the person lives where they undertake part of their business;
- the person usually resides at this premises.

A range of activities were identified including:

- hairdressing;
- catering;
- plumbers / building trades;
- allied health professionals;
- artists;
- vehicle storage (under certain limits);
- carpenters;
- computer / IT specialists / accounts / consultants;
- secondhand vehicle sales;
- bed and breakfast;
- student accommodation / backpackers if under same roof;
- product / packaging / sales of liquor licensing;
- dog breeding / kennels;
- child care;) - if in residential premises and
- aged care;) owner lives on site.

Car mechanics, crash repairs and truck parking were generally acknowledged as inappropriate activities in a residential area.

4. IMPACTS OF HOME BASED BUSINESS ON NEIGHBOURS

The following negative impacts were identified:

- noise and odour;
- hours of operation;
- traffic and parking;
- signage and display of goods for sale;
- heritage character and/or residential amenity;
- health and safety issues;

- unsightly land;
- air pollution – smoke and fumes;
- number of strangers in street;
- size of vehicles delivering goods or parked on site.

Home based business can have positive impacts including their contribution to social interaction, safer environments and daytime life in the suburbs and to reducing motor vehicle use.

5 IMPACTS OF COUNCIL POLICIES AND PRACTICES ON HOME BASED BUSINESSES

Council policies could cause businesses to go underground or even to close down. Regulations under other Acts, eg Food Act, Environmental Protection Act can cause issues around compliance, however, Council staff can support businesses in making changes.

Building regulations require a building where more than 10% is used for non-residential activity to be upgraded.

Higher density development as a result of Council's residential policies may lead to increase in neighbour complaints, more problems with parking and limited space for activities.

6. WHAT ACTIONS CAN COUNCILS TAKE TO SUPPORT HOME BASED BUSINESS ESTABLISHMENT AND GROWTH?

Participants discussed this question in small groups under the following headings:

- planning policy review and change;
- managing transition out of home;
- information provision / business support;
- cross Council integration / Council systems and processes.

A summary of each group's priority responses is provided below.

Planning Policy Change

The groups had divergent views about the need for planning policy change.

One group favoured variations to policies in residential zones to enable home based businesses to operate.

Another group proposed a change to State Legislation and systems including amending the definition of home activity in the Development Regulations.

The third group questioned the need for policy change suggesting that Councils should consistently interpret existing regulations and provide information about Council policy to home based businesses.

Provision of Information and Support

This was seen as a key area for Councils acting alone and in partnership with other Councils in their region, Regional Development Boards and Business Enterprise Centres where these exist.

The provision of information, including developing a key contacts list of internal Council staff who have responsibility for different areas that affect home based businesses was seen as very important and readily achievable.

Councils can be supportive by providing access to resources and meeting facilities. Councils can also proactively promote existing useful information.

Council Systems and Processes

It was suggested that a key action is to change the culture within some Councils and the mind set of some elected members and staff so that everyone understands Council's policy on business and the need to commit to the LGA's Business Charter approach.

It will be important to encourage early consultation between economic development staff, planners and builders to make sure that barriers are not encountered later in the process when they are harder to overcome.

Generally it was agreed that the concept of home based business needs to be better understood across Councils and properly promoted and supported.

LIST OF PARTICIPANTS

David Brown, City of Unley
Shelagh Noble, Campbelltown City Council
Rod Harvey, Campbelltown City Council
Dennis Farrow, City of Charles Sturt
David Bailey, City of Charles Sturt
Darryl Fitzgerald, City of Mitcham
Henry Inat, DC of Mount Barker
Kieron Barnes, Adelaide Hills Council
Jocelyn Lewes, City of Prospect
Paul Weymouth, City of West Torrens
Karen Katschner, City of Port Adelaide Enfield
Hari Argiro, City of Playford
André Stuyt, City of Unley

WHYALLA ECONOMIC DEVELOPMENT BOARD

Workshop with Home Based Businesses and Local Government Representatives

Friday 21 November 2003

INTRODUCTION

This report summarises the workshop held with six participants at the Whyalla Economic Development Board on Friday 21 November 2003. Three of those who attended either had operated or are currently operating a business from a residential premises.

The Nature of Home Based Businesses

One person had recently been required to move her dog washing and pet food operation from her rented house to a shopping centre because the Housing Trust (her landlord) said her lease did not allow her to operate a business from home. She had previously spoken to Council and her neighbours who did not object. She is now being supported by WEDB's Small Business Adviser to establish her business in a shopping centre – a move that could be somewhat premature with respect to economic viability.

Another home based business operator chose to obtain a development approval for her natural therapy practice to ensure that she had certainty and protection from vexatious complaints by neighbours. This person chooses to work from home because it provides privacy for clients, a quiet environment with fewer interruptions and flexibility with respect to working hours. She purchased a property with two separate entrances that had previously been a dual occupancy and converted this to provide a consulting room with an en-suite bathroom.

Other activities in the neighbourhood can have greater impacts on home business, eg noise from construction, loud music and traffic.

The third business was a mortgage broker who chose to work from home due to the lower costs during start up and the flexibility of matching working hours to other commitments. This person is mobile so has few clients coming to his home. He relies heavily on links through the Internet. A lot of his work is regionally based. While in the longer term he would look at a shop front location (maybe within 5 years) in the short term he would have to employ someone to staff a shop front and he couldn't justify the expense.

For these home based businesses the key reasons for choosing home as their preferred location were:

- cost;
- flexibility;
- quality of the environment.

Whyalla – The Home Based Business Scene

WEDB's Small Business Adviser easily found 60 businesses working at home in areas such as:

- electricians, plumbers, building trades, painters;
- milk and water delivery;
- sign writing;
- graphic artist;
- events / equipment hire;
- gardening, landscaping;
- teaching music / dance.

In WEDB's experience, 60-70% of home based businesses would see themselves remaining at home in the longer term.

Council's Policy Response – Managing Impacts

If a home operator meets the 'home activity' definition they do not need approval. If someone approached Council with a proposal for a home business that didn't meet the home activity guidelines, Council would have to weigh up the potential impacts on neighbours. Community expectations need to be acknowledged.

The kind of impacts Council needs to consider include:

- noise;
- parking and traffic;
- signs;
- hours of operation.

Council also has responsibilities under the Food Act for businesses involving food preparation.

Sometimes complaints are based on a lack of information, so a discussion with neighbours can help. At other times neighbours have a history of conflict or a score to settle, so mediation does not solve the problem.

Another issue for Council is complaints by landlords with vacant shops / offices. They want to know why Council isn't making businesses go into centres. Businesses in centres may resent unequal competition from home businesses paying less rent and lower rates.

Council would not know about most home businesses, eg office activities. Storage and truck and heavy vehicle parking are not considered to be home activities. Council would check on what is going to be stored in an extra large shed.

While Council usually only finds out what is happening when someone complains, it was noted that in a regional community there is a lot of pressure not to complain.

There is a policy gap in Council's Development Plan between home activities (as defined) and a Commercial or Centre Zone.

WEDB is exploring funding for incubators to provide serviced offices and premises for start up businesses (see below).

What Would Contribute to Your Ability to Grow?

The business operators were asked what would assist them in growing their businesses. Their responses included:

- cheaper communication especially broadband;
- insurance for small business – costs of meeting industry requirements is significant (over \$2,000 a year);

Group Insurance / Blanket Cover can help businesses who are members of associations (it was noted that more and more businesses are operating without insurance);
- mentoring / a forum that included experienced businesses offering support to new start up businesses;
- Business Advice – as currently provided through WEDB is highly valued but resources are limited / additional resources are needed;
- access to accountant who can teach simple book-keeping for businesses – commensurate with size and stage – need something like Quick Books / Cash Flow Manager (a paper based Cash Book record as a first step).

Training is a difficult area as new businesses are unlikely to have time for training. TAFE Courses are expensive. The Small Business Centre offers Business Advisory Courses. There is a lack of appropriate training courses, especially formally recognised training.

Suggested Initiatives

The Incubator Project is currently going through assessment processes to secure \$1.6 M for 14 serviced offices in Whyalla and Port Augusta. There will be an Incubator Manager and Receptionist.

Other suggestions include a revolving loan fund for small businesses as exists in the United Kingdom, Canada and the United States. As funds are paid back, investment is made into training and development.

LIST OF PARTICIPANTS

Penny Nolan, Dog Grooming and Home Made Pet Foods

Paul Schofield, Aussie Home Loans

Carol Pack, Focus on Healing

Phil Turvey, Planner, Whyalla Council

Susan Stovell, Business Development Officer, WEDB

Jeff Wright, City Manager, Whyalla Council

MINUTES OF THE SOUTH EAST COUNCIL'S RESIDENTIAL HOME BASED BUSINESSES WORKSHOP

Date: Friday 5 December 2003

Venue: Robe Yacht Club

Present: Tim Tol, Senior Planner, Wattle Range Council

Milan Hodak, Manager Environment & Inspection Services, Kingston District Council

Dennis Crafter, Development Officer, District Council of Robe

Rocky Callisto, Development Manager, Tatiara District Council

Ken Stratton, Development Officer, Naracoorte-Lucindale Council

Rod Storan, Development Manager, District Council of Grant

Ron Ashenden, Senior Development Officer, Naracoorte Lucindale Council

Mal Penny, Building Officer, Wattle Range Council

Grant Riches, Building Surveyor, PBS Australia

Lars Ahlfors, Building Manager, District Council of Grant

John Best, Building Officer, City of Mount Gambier

Chris Plunkett, Environmental Health Officer, City of Mount Gambier

Rob Page, Environmental Health Officer, City of Mount Gambier

Bob Netherton, Environmental Health Officer, Naracoorte Lucindale Council

Bob Dunstan, Environmental Health Officer, District Council of Grant

1.0 AIM OF PROJECT

The Committee was informed that the AMACC project seeks to develop best practice models for Councils and other bodies to facilitate the growth of home based businesses and consider their commercial issues in planning provision of services.

2.0 PROJECT TEAM MEMBERS

The Committee was informed that AMACC has consulted the services of:

- E.g. Learning;
- Urban & Regional Planning Solutions; and
- Truscott Research.

3.0 COUNCIL AND HOME BASED BUSINESS PERSPECTIVES

The E.g. Learning Home Based Business Paper was discussed at the Committee.

4.0 SOUTH EAST FEEDBACK

4.1 Likely Impacts:

- noise;
- car parking and access;
- competition;
- food contamination; and
- odour.

4.2 Council's Policies:

- home activity definition;
- development in residential areas, contrary to objectives of residential and centres zones;
- Building Code of Australia (more than 10% of floor area will result in the residential class of the dwelling changing);
- Public and Environmental Health Code;
- Food Act 2001.

4.3 Existing Council Support:

- most Councils do not actively promote or support home based businesses;
- Councils do post out summaries of the "home activity" definition;
- Councils are concerned about commercial operators perceived unfair competition issues.

4.4 Pro-Active Response:

- most Councils did not see a need to devote significant resources to this issue;
- most Councils are already "pro-development".

APPENDIX B

Sample Planning Policies

Home Business

- 27** The occupation of part of a dwelling or its site for a small office, consulting room or other non-industrial business, may be appropriate in a residential zone, provided:
- (a) the nature, scale and intensity of the use does not detrimentally affect the amenity of residents living in the locality, by virtue of the appearance of the land or building, the inappropriate parking of motor vehicles, movement of goods and people, hours of operation, electrical interference, the storage of hazardous substances, or noise or other emissions from the site;
 - (b) the business employs no more than one person on-site, other than those living permanently in the dwelling;
 - (c) the business does not involve the servicing, repair or sale of motor vehicles;
 - (d) only one commercial motor vehicle (as defined in the Road Traffic Act 1961) associated with the business may be present at any time;
 - (e) vehicles exceeding three tonnes tare in weight are not used by or required to service the business;
 - (f) the area used in conducting the business (including storage of materials or goods) is fully screened, or contained in an enclosed building or buildings;
 - (g) no goods are displayed in any window, or about the dwelling or its curtilage;
 - (h) the floor area used in conducting the business (including storage of materials or goods) is limited to 50 square metres or 30 percent of the floor area of the associated dwelling (excluding any garage or carport), whichever is the lesser; and the primary residential use of the remaining floor area is maintained;
 - (i) pick-ups and deliveries are limited to between 8.30 am and 5.00 pm from Monday to Friday and from 9.00 am to 1.00 pm on Saturday; and
 - (j) signage associated with the business should be:
 - (i) discreet in scale and have a total advertisement area not exceeding 0.2 square metres; and
 - (ii) of muted colours in sympathy with the character of residential development in the locality.

Source: City of Marion Development Plan