



A GUIDE TO UK LAWS & REGULATIONS

CONTENTS

Business structure & IP	3
Business taxation	4
Employees	5
Health & safety	6
Licences & registrations	7
Premises	9

USING THIS GUIDE

This guide is intended to be used alongside *Entrepreneurship and Small Business (4e)*. It summarises some of the main UK laws and regulations in the areas of: business structure, taxation, health and safety, employees, premises and licences. It should be used alongside the *Guide to UK Help & Advice* also available on this website.



This internet symbol takes you to the relevant website where more information can be found using an embedded hyperlink. Website addresses change frequently and it is possible that these may have changed since this guide was produced.



The video symbol takes you to a relevant video using an embedded hyperlink.

To activate a link, simply press **Ctrl** and click on the symbol (alternatively right click on the symbol and left-click on 'Open Hyperlink'). To find out the hyperlink address of any sources, simply right click on the symbol and left-click on 'Edit Hyperlink'. Although every effort is made to keep these addresses up to date, they do change frequently. The date at the bottom of the page tells you when these addresses were last updated.

BUSINESS STRUCTURE & IP

SOLE TRADER

If trading with a name other than your own, must display name and address of owner at premises and on stationery.

PARTNERSHIP



<http://www.companieshouse.gov.uk/about/gbhtml/gpllp1.shtml>

As above. Set up a formal deed of partnership (otherwise terms of the Partnership Act 1890 apply). Professional service firms like solicitors and accountants may be able to set up limited liability partnerships.

LIMITED COMPANY



<http://www.companieshouse.gov.uk/>

Register name and office with Registrar of Companies (Companies House). 'Off-the-peg' companies can be bought from company registration agents. If trading with a name other than full corporate name, must display name and address of owning company. Must file annual return.

FRANCHISE



<http://www.thebfa.org/>

Needs contract with franchisor. Legal advice essential.

SOCIAL ENTERPRISE



<https://www.gov.uk/set-up-a-social-enterprise>

Depends on business structure. See *A Guide to UK Sources of Help and Advice*.

INTELLECTUAL PROPERTY (IP)



<https://www.gov.uk/browse/business/intellectual-property>

IP needs to be registered in the appropriate way. This is a link to the government website giving you information on how to do this.

BUSINESS DEBT, BANKRUPTCY OR CLOSURE



<https://www.gov.uk/browse/business/funding-debt>

If your business gets into financial difficulty there are a number of things you are required to do by law.

This is a link to the government website giving you information about what to do and who to contact.

The second website gives you information on what you need to do to sell or close a business.



<https://www.gov.uk/browse/business/selling-closing>

BUSINESS TAXATION

VALUE ADDED TAX (VAT)



<https://www.gov.uk/vat-registration>

Businesses with a turnover above a certain level must charge and collect Value Added Tax. Check with HM Revenue and Customs (HMRC) whether registration is necessary because of turnover level.

SOLE TRADER & PARTNERSHIP



<https://www.gov.uk/register-for-self-assessment>

Need to register with HMRC and obtain a Unique Taxpayer Reference (UTR) number(s). You will need your National Insurance number (your local Jobcentre Plus can help you with this if you do not have one). Income Tax is collected on a self-assessment basis.



<https://www.gov.uk/simpler-income-tax-cash-basis>

Sole traders or partnerships can register to have their income and expenses assessed on a 'cash basis', rather than a profit basis if it suits them. The second website gives you information on this option.

LIMITED COMPANY



<https://www.gov.uk/what-is-corporation-tax>

Need to make an annual Company Tax Return and file annual accounts with HMRC. If your accounts and Company Tax Return cover the same period, you can send them to both Companies House and HMRC at the same time.

The video is a general introduction to Corporation Tax.



<https://www.gov.uk/first-company-accounts-and-return>

PAY-AS-YOU-EARN (PAYE) INCOME TAX DEDUCTED FROM EMPLOYEES



<http://www.hmrc.gov.uk/payerti/index.htm>

Need to register with HMRC and deduct tax and National Insurance from all employees receiving payments (including directors) and pay over to HMRC.

LOCAL TAXATION (BUSINESS RATES)



<https://www.gov.uk/introduction-to-business-rates>

Local taxation is collected through Business Rates. They are handled differently in England/Wales, Scotland and Northern Ireland. Generally the Local Authority will send you an annual Rates bill in February/March each year.

EMPLOYEES

EMPLOYEE RIGHTS



Employment protection legislation applies to all employees. This is a link to the government website that gives you information on what legislation applies.

<https://www.gov.uk/browse/employing-people>

PAY-AS-YOU-EARN (PAYE) INCOME TAX DEDUCTED FROM EMPLOYEES



Need to register with HMRC and deduct tax and National Insurance from all employees receiving payments (including directors) and pay over to HMRC.

<http://www.hmrc.gov.uk/payerti/index.htm>

PENSIONS



Employers will have to provide a workplace pension for eligible staff by 2018. Details can be found on this government website.

<https://www.gov.uk/browse/employing-people/pensions>

INSURANCE

Need employers' liability insurance by law if you have employees. This will cover you against claims made if anyone injures themselves on your premises.

If you operate a motor vehicle you must legally insure all users of each vehicle.

HEALTH & SAFETY

HEALTH & SAFETY



<https://www.gov.uk/browse/employing-people/health-safety>

Various health and safety regulations apply to all businesses, including those being run from home. This is a link to a government website that provides information on what legislation applies.

FACTORIES & WORKSHOPS



<http://www.hse.gov.uk/>

Most businesses need to register with the Health and Safety Executive (HSE). If processes cause pollution you must register. If food is being prepared or stored you need to contact the Environmental Health Department of the Local Authority in the area you want to establish your business.

OFFICES, SHOPS & OTHER PREMISES

Most businesses need to register with the Local Authority in the area you want to establish your business.

If processes cause pollution you must register (see environment). If food is being prepared or stored you need to contact Environmental Health Department of the Local Authority (see licences).

FIRE CERTIFICATE



<https://www.gov.uk/workplace-fire-safety-your-responsibilities>

Fire certificate may be necessary (e.g. guest houses, hotels, residential nurseries). Fire safety rules are different in England/Wales, Scotland and Northern Ireland. Check with your local Fire Authority.

ENVIRONMENT



<https://www.gov.uk/browse/business/waste-environment>

Regulations apply to the production, disposal, import and export of waste, the emission of pollution, including vans. If you use refrigeration, air conditioning, fire-fighting equipment or cleaning solvents, legislation may also apply. See also licences, below.

This is a link to a government website that provides information on what legislation applies.



<http://www.environment-agency.gov.uk/>

The second link is to the Environment Agency website where more detailed information can be obtained.

LICENCES & REGISTRATIONS

LICENCES



<https://www.gov.uk/browse/business/licences>



<https://www.gov.uk/licence-finder/sectors>

Licences are required for certain types of business and certain activities in the UK.

This is a link to the government website that will give you information on what is required.

The second link is to an interactive government licence-finder tool that you can use to find out the licences that are required to set up your specific business in the UK.

CHILDMINDERS OR CHILDCARE PROVIDERS



<https://www.gov.uk/register-childminder-childcare-provider>

Childminder and childcare providers need to be registered with Ofsted.

FOOD, CATERING & RETAIL



<https://www.gov.uk/browse/business/food>

Particular regulations apply to businesses handling food. This is a link to the government website that will give you information on what is required.

FARMING



<https://www.gov.uk/browse/business/farming>

Particular regulations apply to farming businesses. This is a link to the government website that will give you information on what is required.

MARITIME VESSELS & WORK AT SEA



<https://www.gov.uk/browse/business/maritime>

Particular regulations apply to maritime vessels and work at sea. This is a link to the government website that will give you information on what is required.

CINEMAS, THEATRES, CHILD MINDERS, TAXIS, INDOOR SPORTS VENUES, PUBLIC ENTERTAINMENT VENUES, STREET TRADERS, PET SHOPS OR KENNELS, SCRAP METAL DEALING, SEX SHOPS, RESIDENTIAL CARE, NURSING HOMES OR AGENCIES

Need to apply to the Licensing Department of the Local Authority in the area you want to establish your business.

BUSINESSES INVOLVED IN THE SALE OF WEAPONS

Need to apply to the Police in the local authority in the area you want to establish your business.

*HOTELS, RESTAURANTS, ABATTOIRS,
HAIRDRESSERS, MOBILE SHOPS (FOOD
SALES), MASSAGE, SKIN PIERCING
(INCLUDING TATTOOING), WORK WITH
ASBESTOS*

Need to apply to the Environmental Health Department of the Local Authority in the area you want to establish your business.

*SALE OF ALCOHOL IN SHOPS, PUBLIC
HOUSES, CLUBS, NIGHTCLUBS,
RESTAURANTS, HOTELS ETC.*

Need to apply to the Local Authority in the area you want to establish your business.



<https://www.gov.uk/alcohol-licensing>

*SCRAP METAL PROCESSING, WASTE
MANAGEMENT, ABSTRACTION OF WATER
OR DISCHARGE OF EFFLUENT*

Need to apply to the Environment Agency. Further information can be obtained from their website.



<http://www.environment-agency.gov.uk/>

*HEAVY GOODS OR PUBLIC SERVICE
VEHICLE OPERATORS*

Need to apply to the local area office of the Driver and Vehicle Standards Agency (DVSA).



<https://www.gov.uk/government/organisations/driver-and-vehicle-standards-agency>

*BUSINESSES THAT INVOLVE MONEY
LENDING, CREDIT ARRANGEMENT, DEBT
COLLECTION, CREDIT CARDS, CREDIT
REFERENCE AGENCIES, HIRING, LEASING
OR RENTING GOODS*

Need to apply for a Credit Licence from Financial Conduct Authority (FCA).



<http://www.fca.org.uk/>

*BUSINESSES THAT INVOLVE STORING
INFORMATION ABOUT PEOPLE ON
COMPUTERS*

Need to be registered under the Data Protection Act with the Information Commissioner's Office (ICO).



<https://ico.org.uk/>

PREMISES

*ANIMAL FEED, AUCTION, BOOKMAKER,
CHILDCARE, CINEMA, CLUB, GAMING
MACHINES, MASSAGE & SPECIAL
TREATMENT, SALE OF ALCOHOL,
VETERINARY PRACTICE ETC.*

Licences are required for premises that are used for certain purposes. The list on the left is not exhaustive. The link is to a government guide to the various licences required. Type in your category of business.



<https://www.gov.uk/search?q=premises>

NEW BUILD & CHANGE OF USE

If new building or change of use is involved consult the Planning Department of the Local Authority in the area you want to establish your business.

EXISTING BUILDING WITH STRUCTURAL ALTERATION

If your business needs plant or machinery installed within an industrial site but outside a building or the premises will require structural alteration, you should consult the Planning or Building Regulations Department of the Local Authority in the area you want to establish your business.
