

## FAST FACTS 9: HOME BASED BUSINESS

Many people imagine that working from home is the ideal existence: no hassles with commuting, no boss breathing down your neck and the freedom to spend your time in whatever way you want. The reality, however, is very different. Being your own boss is demanding. You must be prepared to establish and work to realistic goals, you must be self-disciplined, persistent and determined to succeed.

Working from home can involve strains; there may be social isolation or problems combining work and family life in the one place. The main challenge of a home-based business is to overcome distractions and to be productive in an environment where it is all too easy to 'put it off until tomorrow'. You must also ask yourself "who will take over tomorrow if I need a holiday?"

### Typical home-based businesses

A wide variety of businesses are successfully operated from the home. Some possibilities include:

- **Manufacturing:** crafts, food preparation, food preservation, toys, printing and dressmaking
- **Retailing:** mail order services, personal network selling
- **Services:** professional (doctors and vets), tradespeople (carpenters, plumbers, electricians), information services (consulting), personal services (music teacher, hairdressing, beauty care)

### Is your business suitable?

Consider the following questions when deciding if you can run your business from home or if you need to find a commercial rental property:

- Would you need to employ people?
- Is the business noisy, dirty, smelly or otherwise likely to disrupt your neighbours?
- Do you have a need to store bulk materials?
- Is your home easy to locate (by clients and customers)?
- Will parking be a problem?
- Do you need local and Northern Territory Government permission to undertake the business from home? (See licences and approvals below.)
- Do you have a mortgage with a restriction prohibiting business being transacted on the premises?

If you answered yes to one or more of the above questions, then you should think seriously about commercial rental.

### Licences and approvals

Under the NT Planning Scheme, persons intending to conduct a business at or from home (referred to as a 'Home Occupation') you may need to obtain development approval from the Development Consent Authority (DCA). You will need to check the town plan that applies to your locality. In Darwin and the Litchfield Shire you are permitted to develop a home occupation. In other centres, development approval is required for a home occupation. However in all areas there are rules controlling the scale of the development (among others) that must be satisfied.

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You should contact Development Assessment Services on (08) 8999 6046 when intending to conduct a Home Based Business (HBB) to ensure compliance with the relevant town plan. You can contact the Development Consent Authority as below:

### Development Consent Authority

Ground Floor, 38 Cavenagh Street

DARWIN NT 0800

T: (08) 8999 6044

F: (08) 8999 9055

E: DevelopmentConsentAuthority.DIPE@nt.gov.au

W: www.dpi.nt.gov.au

### The business and lifestyle

Almost anyone who owns a business will tell you that it puts extra pressure on a family relationship. When running your business from home there is little separation between work and family, and the activities of each. You need to be conscious of how your business will affect your family and your lifestyle in general.

Before starting a home-based business you should consider how you can avoid being overworked or, conversely, under motivated, both common with businesses operated from home. To ensure you avoid these situations, plan for the following:

- set hours for client contact
- set hours for business operation
- set breaks
- set time for administration
- plan activities outside the home
- plan time for family
- ensure you evaluate how you are managing with your home-based business, and if it continues to suit your needs

### Conclusion

Working from home initially offers the most economical way for many people to join the ranks of the self-employed. For some people with home commitments, it is the only way. Although running a business from home can reduce the financial risk of starting a business, it introduces other risks, such as a disrupted family life and strained relationships with neighbours.

Plan carefully if you are thinking of starting a home based business. Use all the free advice available to you. Pay for professional advice where necessary. Talk it over with family and neighbours. Get official permission. Then, work at it!

### New tools to help home based businesses

The Department of Business Economic and Regional Development has recently developed online **Business Information Kits** to help Territory businesses find information on licences, regulations, planning and services.

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Additionally, the **Planning Scheme Business Information Finder** can tell you the zoning and planning rules for your business location. It provides you with a tailored report that includes information about properties that are covered by the Northern Territory Planning Scheme, it gives details of the zoning of your property and whether your activity is permitted, discretionary or prohibited. If your activity is permitted or discretionary, the report also provides information about any conditions or requirements you must comply with.

The Business Enterprise Centre (BEC) has established a **Home Based Business Network** to assist Home Based Businesses stay ahead of the latest business trends and discuss issues relating to running a business from home. To find out more about upcoming workshops and to view their home based business database, contact BEC.

## Business Enterprise Centre (BEC)

### DARWIN

Office 35B, 12 Charlton Court

WINNELLIE NT 0820

T: (08) 8923 6100

TF: 1800 229 500

F: (08) 8923 6155

E: [enquiries@becnt.com.au](mailto:enquiries@becnt.com.au)

W: [www.becnt.com.au](http://www.becnt.com.au)

### ALICE SPRINGS

Field officer

T: (08) 8958 4185

M: 0427 970 529

F: (08) 8958 4183

E: [bruce@becnt.com.au](mailto:bruce@becnt.com.au)

Also, visit the federal Government Business website at [www.business.gov.au](http://www.business.gov.au)

For more information refer to other Fast Facts in this series or contact:

### Territory Business Centre

Department of **Business and Employment**

Development House, 76 The Esplanade, DARWIN NT 0800

GPO Box 3200, DARWIN NT 0801

T: (08) 8982 1700

TF: 1800 193 111 (within Australia)

F: (08) 8982 1725

E: [info.dberd@nt.gov.au](mailto:info.dberd@nt.gov.au)

W: [www.nt.gov.au/business](http://www.nt.gov.au/business)

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