

Checklist of regulations to be met in setting up a business in the UK

The following list summarises some of the main UK regulations. The Business Link website (www.businesslink.gov.uk) contains lots of useful information. In particular, the section called 'Your type of business' gives you summaries of licences, regulations, British and European standards and contacts for different business sectors. It also lists trade bodies with expertise about different areas of business.

Area		Requirement
Business structure	Sole trader	If trading with a name other than your own, must display name and address of owner at premises and on stationery. www.businesslink.gov.uk
	Partnership	As above. Set up a formal deed of partnership (otherwise terms of the Partnership Act 1890 apply). www.companieshouse.gov.uk
	Limited company	Register name and office with Registrar of Companies (Companies House). If trading with a name other than full corporate name, must display name and address of owning company. Must file annual return. www.companieshouse.gov.uk
	Cooperatives	Either: Register (as above) with Companies House. Name must be acceptable. or: Register under Industrial and Provident Societies Act Register of Friendly Societies. Must be bona fide cooperative and name acceptable. www.icof.co.uk , www.co-opunion.co.uk
	Franchises	Need contract with franchisor. Legal advice essential. www.thebfa.org
Tax	VAT	Check whether registration necessary because of turnover level. www.hmrc.gov.uk
	Tax	Notify local Inland Revenue office on form CWF1 and submit P45. www.hmrc.gov.uk
	National insurance	If self-employed, register for Class 2 contributions on form CWF1 at back of form CWL1 booklet. www.hmrc.gov.uk
Health and safety	Health and safety	Most factories and workshops need to register with the Health and Safety Executive, and offices, shops and other premises with the local authority. Processes causing pollution must register. If food is being prepared or stored contact the local authority Environmental Health Department. www.hse.gov.uk
	Fire certificate	Fire certificate may be necessary (e.g. guest houses, hotels, residential nurseries). Check with local Fire Authority. www.fire.org.uk , www.businesslink.gov.uk
	Environment	If business uses refrigeration, air conditioning, fire-fighting equipment or cleaning solvents, legislation may apply. If business produces, disposes of, imports or exports waste legislation may apply. www.defra.gov.uk , www.environment-agency.gov.uk

Checklist of regulations

Employees	Rights	Employment protection legislation applies. If an existing business is taken over, existing terms must be maintained. www.businesslink.gov.uk
Premises	New	If new building or change of use is involved consult local authority Planning Department. www.planningportal.gov.uk
	Existing	If business involves plant or machinery installed within an industrial site but outside a building or the premises will require structural alteration, consult local authority Planning or Building Regulations Departments.
Licences		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 local authority Licensing Department.
		Scrap metal processing, waste management, abstraction of water or discharge of effluent need to apply to the Environmental Agency. www.defra.gov.uk , www.environment-agency.gov.uk
		Hotels, restaurants, abattoirs, hairdressers, mobile shops (food sales), massage, skin piercing (including tattooing), work with asbestos need to apply to local authority Environmental Health Department.
		Heavy goods or public service vehicle operators need to apply to the area office of the Vehicle Inspectorate Executive Agency. www.dft.gov.uk/vosa/
		Companies involved in possession or sale of weapons need to apply to local police.
		Sale of alcohol in shops, public houses, clubs, nightclubs, restaurants, hotels etc. need to apply to the local authority. www.culture.gov.uk/what_we_do/alcohol_and_entertainment
		Money lending, credit arrangement, debt collection, credit cards, credit reference agencies, hiring, leasing or renting goods all require a Credit Licence from the Office of Fair Trading. www.offt.gov.uk/Business/licence
		If you keep information on people on computer you must be registered under the Data Protection Act with the Information Commissioner's Office. www.ico.gov.uk

The checklist has been adapted from DTI (1998) *Setting up in Business: A Guide to Regulatory Requirements*.