

A Checklist for Employing Staff who Work from Home

Business Information Factsheet

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Introduction

Many employers employ staff who carry out their work activities and responsibilities at home (often referred to as 'homeworkers') in much the same way that they would in an office or workshop unit. Their employer is responsible for providing and maintaining any equipment they require and has the same obligations towards their employment rights and health and safety as it does towards employees who work on the business or organisation's premises.

Under the Employment Act 2002 and the Work and Families Act 2006, some employees are able to request the right to work flexibly, which can include working at home. If an employee has a child under 17 years of age (or a disabled child under 18 years of age) or is a carer of an elderly, disabled or sick adult, their employer must consider the request seriously and only reject it if there is a valid business reason to do so. See BIF 374, A Guide to Handling Flexible Working Requests, for further information.

Employing staff who work from home may save floor space and cut administrative costs, but it also has a number of significant practical implications for an employer:

- Materials and equipment may need to be transported between different homeworking sites and the employer's premises.
- The management of workloads and performance standards of employees who work from home needs to be carefully planned and organised.
- Several issues relating to health and safety, insurance and security need to be considered.

This checklist covers the key legal and practical issues for dealing with employees who work from home, whether they are new to a business or are existing employees who are changing their working patterns or arrangements.

Contractual issues

- The employment status must be clear for any staff who work from home. Are they employees of the business or self-employed contractors? This is an important distinction to make, especially if the business has employees and also uses self-employed contractors. HM Revenue & Customs (HMRC) is especially concerned that self-employed contractors are truly self-employed and therefore cannot be considered to be employees for tax purposes. Go to www.gov.uk/guidance/ir35-find-out-if-it-applies for further information on IR35 legislation, which deals with this aspect of employment.
- The National Minimum Wage (NMW) Regulations require employers to prove that a worker is self-employed (rather than requiring the worker to prove that they are employed). In addition, employers must pay employees who work from home the National Living Wage of

£7.20 for people aged 25 and over, or the minimum wage of £6.70 per hour for people aged 21-24, £5.30 for those aged 18-20 and £3.87 for those aged 16-17. See BIF 328, A Guide to the National Minimum Wage, for further information.

- Employees who work from home must be issued with a written statement of employment within two months of them starting work.

Managing responsibilities and workloads

- The jobs allocated to employees who work from home must be able to be performed away from the business premises.
- Employees who work from home must receive a proper induction into the business and adequate training in the skills required to perform their duties.
- The performance of employees who work from home should be continually monitored, with regular appraisals of their progress.

Maintaining communications

- Employees who work from home should be clear who they should contact first for support if they need it.
- Any employees who work from home should be able to access the staff intranet from home, if the business has one.
- Employees who work from home should be encouraged to visit the business premises for meetings when possible in order to integrate them as much as possible with the rest of the business.
- Employees who work from home should be involved in any social events or training sessions.

Insurance obligations

- Any business insurance policies should be checked to ensure they cover equipment, materials and employers' liability when staff and equipment are operating away from the main business premises.
- Employees should check their personal home insurance policy to ensure they are covered for working from home. Their existing policy may not offer cover and as a result they may incur increases to their insurance premiums.
- Employees should also check that there are no clauses in their tenancy agreement, lease or mortgage that prevent them from working from home. They should also contact their local authority to ensure that there are no planning or building regulations issues relating to the use of the property for non-domestic activities.

Health and safety obligations

- Employers must take reasonable care of the health, safety and welfare of people who may be affected by their work activities. This applies to employees who work from home and members of their household, neighbours and visitors.
- Employers should conduct regular risk assessments of the activities carried out by employees who work from home. Health and Safety Executive (HSE) inspectors have the right to visit employees to ensure that risks from work and working at home are properly managed.
- It is important for employers to check whether any special provisions need to be made for expectant or breastfeeding mothers or anyone with a disability.
- Employees must notify the relevant responsible person of any accidents they have at home during their work hours and that they record them in a diary or accident book. If the business is based in England, Wales or Scotland, the relevant responsible person in the business must notify the HSE Incident Contact Centre (www.hse.gov.uk/riddor) of any serious injuries sustained by employees who work from home. In Northern Ireland, the relevant responsible person in the business must notify the Health and Safety Executive Northern Ireland (HSENI, www.hseni.gov.uk/contact-us/report-an-incident.htm).
- Employers must provide full training on the use of any machinery and the handling of dangerous substances.
- Under the Provision and Use of Work Equipment Regulations 1998, employers are responsible for the maintenance of electrical equipment they supply to employees. This also covers the use of work equipment in the home.
- Employers must ensure that display screen equipment (DSE) is safe and not a danger to health. Employees using DSE can request that their employer pays for their eye tests.

Equipment and security

- Employees who work from home should be provided with suitable office furniture, including a desk, chair and storage units if required.
- A separate telephone line and Internet connection may be necessary so an employee's household bills can be kept separate from those relating to their work activities.
- Employers should check any obligations under the Data Protection Act 1998 regarding the management of customer data away from the main business premises.
- Employees should understand their employer's IT policy and procedures and make sure that they follow them. This may include requirements for backing up files and data and the installation of antivirus software and firewalls on their computer.

Hints and tips

- The correct written agreements must be put in place so that employees who work from home are clear about their employment status and rights.
- A staff handbook should be provided for employees who work from home.

- Employees should be kept involved in the business, and regular meetings should be arranged to avoid them becoming isolated.

Further information

To access hundreds of practical factsheets, market reports and small business guides, go to:

Website: www.scavenger.net

BIF 3 A Guide to Complying with the Data Protection Act

BIF 17 A Checklist for Running a Business from Home

BIF 22 A Guide to the Control of Substances Hazardous to Health Regulations 2002 (COSHH)

BIF 39 A Health and Safety Compliance Checklist

BIF 129 An Introduction to Employing Part-time Workers

BIF 198 A Guide to the Workplace (Health, Safety and Welfare) Regulations 1992

BIF 263 A Guide to the Provision and Use of Work Equipment Regulations 1998

BIF 316 A Guide to the Working Time Regulations 1998

BIF 328 A Guide to the National Minimum Wage

BIF 374 A Guide to Handling Flexible Working Requests

Useful publications

'Homeworkers: Guidance for employers on health and safety'

Health and Safety Executive (HSE)

Website: www.hse.gov.uk/pubns/indg226.pdf

Useful contacts

The Health and Safety Executive (HSE) is responsible for health and safety regulation in Great Britain. It publishes guidance on the health and safety obligations of employers.

Tel: 0300 003 1747

Website: www.hse.gov.uk

The Health and Safety Executive Northern Ireland (HSENI) is responsible for health and safety regulation in Northern Ireland. It provides information on the health and safety obligations of employers.

Tel: 0800 032 0121

Website: www.hseni.gov.uk

HM Revenue & Customs (HMRC) is the government department responsible for the collection of tax. It provides information and advice to individuals and businesses.

Tel: 0300 200 3200 (Employers' Helpline)

Website: www.gov.uk/government/organisations/hm-revenue-customs

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