

Homeworking – a guide for employers and employees

inform

advise

train

work
with you

We inform, *advise, train and work with you*

Every year Acas helps employers and employees from thousands of workplaces. That means we keep right up-to-date with today's employment relations issues – such as discipline and grievance handling, preventing discrimination and communicating effectively in workplaces. Make the most of our practical experience for your organisation – find out what we can do for you.

We inform

We answer your questions, give you the facts you need and talk through your options. You can then make informed decisions. Contact us to keep on top of what employment rights legislation means in practice – before it gets on top of you. Call our helpline 0300 123 1100 for free confidential advice (open 8am-8pm, Monday to Friday and 9am-1pm Saturday) or visit our website www.acas.org.uk.

We advise and guide

We give you practical know-how on setting up and keeping good relations in your organisation. Download one of our helpful publications from our website or call our Customer Services Team on 0300 123 1150 and ask to be put you in touch with your local Acas adviser.

We train

From a two-hour session on the key points of new legislation or employing people to courses specially designed for people in your organisation, we offer training to suit you. Go to www.acas.org.uk/training to find out more.

We work with you

We offer hands-on practical help and support to tackle issues in your business with you. This might be through one of our well-known problem-solving services. Or a programme we have worked out together to put your business firmly on track for effective employment relations. You will meet your Acas adviser and discuss exactly what is needed before giving any go-ahead. Go to www.acas.org.uk/businesssolutions for more details.

Why not keep up-to-date with Acas news and notifications by signing up for our popular e-newsletter. Visit www.acas.org.uk/subscribe.

Contents

Introducing homeworking	2
What is homeworking?	3
The rise of homeworking	3
Why more staff are working from home	4
The homeworking process	5
Checking if homeworking is desirable	5
Checking if homeworking is practical	9
How an employer could set up a homeworking policy	12
Setting up the employee to work from home	17
Managing homeworkers	22
Conclusion: It's worth weighing up the pros and cons	27
Stay on the right side of the law	29
Health and safety	29
Flexible working requests	30
Real-life case studies	32
Case study 1: Large organisation, Acas	32
Case study 2: Small firm, Cuddledry	33
Case study 3: Small firm, Zircon Management Consulting	34
Further advice and support	36
Checklist for setting up homeworking	36
Suggested further reading	39

Introducing homeworking

This guide, written for employers of all sizes and employees, outlines the employment rights and relations issues relating to:

- Reasons why homeworking is growing and how employers and employees can assess whether it is a sound option in office-related roles or arrangements where home would be used as a base for travel.
- Practicalities involved, from establishing a homeworking policy to setting up and managing an employee working from home.
- Potential benefits and considerations of such homeworking.

Understanding the role of this guide

The guidance focuses on regular homeworking that has been officially agreed between employee and employer, not incidental homeworking, such as leaving the office on time to do extra hours at home, or one-off situations.

It is aimed primarily at homeworking in office-related roles or arrangements where home is used as a base for travel.

It does **not** cover what the rights at work body, the International Labour Organisation, calls 'traditional homeworking' – people working at home on tasks such as knitting, making up garments or filling envelopes. They can be also known as 'out workers' or 'piece workers'.

To find out more about out work/piece work, go to www.acas.org.uk/piecework on the Acas website.

The guide draws on Acas' own extensive experience over almost 20 years of employing staff who work from home for some or most of their hours. Key influences have included identifying roles that are suitable, technology making it possible, pressure on office space, efficient budget use and staff desire to work from home. Acas' recent study of that experience included surveys and interviews with its staff.

Throughout the guide, a legal requirement is indicated by the word “must” – for example, employers must carry out a risk assessment. The word “should” indicates what Acas considers to be good employment practice.

What is homeworking?

Homeworking is a term covering a variety of agreements. Aside from ‘out work’, they can include:

- Office-related roles where:
 - some employees work almost entirely at home apart from carrying out regular or occasional duties/meetings at the office or with customers
 - some employees split their time between working at home a few days a week (depending on the agreement with the employer), with the rest of the time spent in the office or with clients
 - some employees work from home only occasionally.
- Travel-related roles where the job entails a lot of journeys and the employee’s home is used as a base.

Homeworking is a type of flexible working which, depending on the agreement between employer and employee, can be also used in conjunction with other arrangements such as flexible hours, working part-time, term-time working or the employer’s core hours.

However, homeworking and other forms of flexible working do not have to be used together. For example, an employer could stipulate that a homeworker works the same working pattern as office-based staff.

This guide may benefit from being read alongside the Acas guidance [Flexible working and work-life balance](#).

The rise of homeworking

The number of people working from home is steadily increasing. Data from the [Trades Union Congress](#) and the [Office for National Statistics](#) shows the number of homeworkers has risen to more than four million. ONS figures say this is a steady increase of 1.3 million from 1998 to 4.2million who usually spend at least half their work time using their home in 2014.

More than a third of homeworkers are employees, while the rest are self-employed or work in the family business.

The number of homeworkers is predicted to carry on rising, particularly in office-related work.

The trend presents challenges, and this guide aims to help both employers and employees deal with the implications.

Why more staff are working from home

Factors contributing to the rise in the number of staff working from home can include:

- Employers looking to cut overheads of business rates, rents and utility bills by reducing office space.
- Technology making it easier for some roles to be performed anywhere.
- More employees asking for some flexibility in where they work and the hours they work – both inside and outside of the organisation's core hours. This is largely so they can better manage their personal lives.
- Increasing numbers of employees with responsibilities caring for family, including the elderly.
- Rising costs of commuting.
- Government policies encouraging people with disabilities back into work.
- Employers reporting the success of homeworking.

While many staff who work from home either much or some of the time say they have a better work-life balance and improved job satisfaction, these outcomes can also play a part in employers reporting increased productivity from homeworkers.

Acas research found a mix of working from the office and home can yield the best results in job satisfaction, work performance and reducing stress.

The homeworking process

This section breaks down the process and considerations for both employers and employees in deciding on, arranging and continuing homeworking arrangements.

- If there is no homeworking arrangement in place, start with 'Checking if homeworking is desirable' and 'Checking if homeworking is practical'.
- If homeworking is already found to be appropriate but there is no arrangement in place, start with 'How an employer could set up a homeworking policy'.
- Where homeworking arrangements are in place, start with 'Setting up an employee to work from home' and 'How an employer could manage homeworkers'.

Checking if homeworking is desirable

Homeworking can bring benefits for organisations, but there are many considerations to take into account when making the decision whether or not to have an employee working from home, either much or some of the time. Similarly, homeworking doesn't suit every employee, but there can be benefits for an employee with the necessary attributes.

Homeworking may work best where the needs of the employer and the employee balance out.

Benefits for the employer can include:

- **Reduced overheads:** Lower rent, business rates and utility bills when office space is decreased after staff move out to work from home. Or, if a business is running out or short of office space, it might negotiate an arrangement where certain categories of staff can work from home.
- **Increased productivity:** Output from employees working from home often improves due to fewer interruptions than in the office. There can also be greater commitment and loyalty from employees who value being able to work from home.
- **Wider choice when hiring:** Being able to recruit from a larger pool of talent because where potential employees currently live may be less of a factor in whether they apply.

- **More ideas:** Attracting a more diverse workforce – including, for example, staff with disabilities or caring responsibilities – can bring the potential for a wider range of talent and innovation.
- **Growing reputation:** Being known as a flexible employer can help attract and keep talented staff, and play a part in winning over stakeholders and customers.
- **Going green:** Helping the environment by cutting down on commuting. In addition, homeworkers can be less affected by bad weather or travel disruption.

Considerations for employers can include:

- **Management of staff:** Supervising homeworkers can be more difficult than overseeing staff in the office. A supervisor and homeworker are likely to have to work harder to build trust between them. Also, it can take more effort for managers and colleagues to communicate with homeworkers, and vice versa.
- **Development of homeworkers:** While many homeworkers are as ambitious to develop as staff in the office, some homeworkers can become settled in a position and not, therefore, put themselves forward for opportunities. As part of regular performance reviews, employers should ensure all homeworkers are aware of how they can develop.
- **Extra costs:** Initially, there may be an outlay in setting up homeworking. However, savings from reduced workplace overheads could be greater in the long run.
- **The employee's wellbeing:** The employer must take overall responsibility for assessing health and safety in the part of the home where the employee will work, and in some circumstances this responsibility can extend to other parts of the home.
- **Other checks:** The employer might be drawn into whether the employee needs planning permission to work from home, and whether the employee will have to pay business rates. However, both are unlikely.
- **Employees who are carers:** Employers should make it clear that homeworking is not a substitute for suitable care arrangements, that dependents need to be looked after by someone other than the employee when they are working and that, if necessary, care arrangements should be in place to cover the time when the employee is working.

- **Employee representatives:** Employers should be mindful that any recognised employee or trade union representatives still need to be able to communicate with employees who work from home. The employer should take reasonable steps to allow this to happen. For example, it could provide a meeting place at the office. For more information, see Acas guide [Trade Union Representation in the Workplace](#).

Benefits for employees can include:

- **Some flexibility:** Depending on the arrangement with the employer, an employee may have some say over where and when they work, but as a general rule should work the organisation's standard hours – particularly core hours – to meet business needs.
- **Improved productivity:** Many staff working from home report getting more work done than they would in the office as they have more energy through not having to commute, and are able to concentrate better at home because there may be fewer interruptions and less noise.
- **Greater job satisfaction:** An employee working from home may receive less supervision and have more control over their job. The Acas research showed its employees who worked from home tended to be happier in their roles than staff in the office.
- **Saving on travel costs:** Not having to pay for daily trips to and from work or parking.
- **Improved work-life balance:** In saving time if not having to commute.
- **Working environment:** The layout, lighting and temperature should all suit the homeworker's individual needs.

Considerations for employees include:

- **Suitable workspace:** See the section on 'health and safety' for more information. As well as being safe and secure, homeworking space should be free of distractions.
- **Flexibility of hours:** The employer is most likely to contract a homeworker to work standard hours – and at least core hours – to meet its business needs. Set hours should help an employee keep a clear divide between work and home life. However, some flexible hours, with the employer's agreement, may allow the employee to better balance work and personal life priorities.

- **Availability:** There should be a clear understanding with the employer over when the employee will work and be contactable. The homeworker will need to communicate clearly, letting their line manager, colleagues and clients know when they will be available and when they won't. The employee could make good use of computer calendars, and out-of-office and voicemail messages.
- **Need for on-site attendance:** This will vary depending on the job, the employee and the organisation. A mixture of home and on-site working often turns out best, allowing the homeworker to focus on their work when at home, while still feeling part of the team and catching up on what is happening in the organisation when on site. The employee may need to experiment to get the balance right.
- **Equipment and resources:** Regular trips to one of the organisation's main workplaces should allow the employee to stock up on, for example, paper, printer cartridges and other stationery. Or, the employer might prefer/need to arrange a delivery to the employee.
- **Possibility of reducing stress:** Having agreed some choice over hours worked or removing a commute may help, but whether homeworking reduces stress can depend very much on individual circumstances, such as working from home when the employee has responsibilities caring for a child or elderly relative, or a busy household.
- **Possible impact on a homeworker's career:** Research has indicated that working from home may reduce promotion prospects, and that the more time an employee works from home the greater the effect known as 'professional isolation' can be. The research found that indications of 'professional isolation' can include some staff who work from home being:
 - less likely to look for promotion if this could mean spending more time at the organisation's main base
 - 'out of sight' and 'out of mind' when managers are allocating key assignments and recommending candidates for promotion
 - committed and loyal, but doubted by managers
 - less likely to be mentored because opportunities can be fewer
 - less aware than office colleagues of what is happening in the rest of the organisation.

However, this will depend on each individual homeworker – many of whom are particularly motivated and ambitious – and the organisation's facilities for career development/progression available while continuing a homeworking arrangement.

Therefore, an employer should ensure that homeworkers and office-based staff alike are encouraged to develop. For example, staff who work largely from home could be encouraged to work from the office on occasions to ensure they are 'visible'. Also, encouraging homeworkers to maintain regular contact with colleagues and take initiatives such as volunteering for project work can be beneficial for all.

Checking if homeworking is practical

The employer should ask themselves if both the job and the jobholder are suitable.

Is the job suitable?

An early step for an employer in assessing whether to encourage, allow or refuse a request for an employee to work from home some or much of the time should be to weigh up if the job is suitable for homeworking. Many roles might be, but not all are.

However, employers may find that pressure on property space, cost-saving or a need for a wider geographic spread of staff could mean that existing staff are asked to consider homeworking, or that new staff are recruited as homeworkers.

Suitable for whom?

Homeworking is often perceived as being triggered by an employee's desire or need for more flexibility. This can be the case, but remember that homeworking is about business needs, too. While it is important to establish if a business can accommodate homeworking, it is vital to make sure homeworking benefits the business as well.

A key requirement is that the role should be performed just as well away from the business base by someone working on their own.

Other factors to consider include whether the role needs:

- **Team-working:** Teams do not always have to be in the same location to work effectively, but they usually need to liaise and co-operate regularly through a combination of phone and email contact, and frequent face-to-face meetings. However, if the roles in the team depend on each other being in the same place all of the time, homeworking is very unlikely to be effective.
- **Supervision:** Telephone and email, with the right supervisory skills, make it possible to manage many roles remotely. There is also the option of technology such as video and tele-conferencing. But, if either the employee or supervisor is not confident, it may be better to keep the employee working at the organisation's premises, or agree to a trial for some homeworking first.
- **Equipment:** If technology is needed, it can be just as easy and cost-effective for the employer to install it at the employee's home, meaning homeworking may be an option. If it turns out to be more expensive, and/or would mean the duplication of equipment already at the organisation's premises, the employer could assess whether homeworking is beneficial overall with this extra expense.

What sort of equipment and set-up is needed?

This depends on the business and work involved. It may be as simple as an employer allowing employees to use their home equipment (properly risk assessed) and giving them access to the organisation's emails and network drives.

In other situations, all that may be needed is the employer arranging delivery of equipment and the installation of a phone/Broadband and telephone support during installation, or in exceptional circumstances a visit from the employer's technical staff.

It is for the employer to determine, in making decisions fairly and consistently, whether a job is suited to homeworking or not.

Is the jobholder suited to homeworking?

To employees, homeworking can seem like an attractive option when trying to balance work and home demands, but both employees and employers should be fully aware it does not suit everyone.

To be successful, staff working from home need attributes to cope with working on their own and, in reality, probably with less supervision. Some full-time homeworkers miss contact with other people, and feeling isolated can be a problem. Others find domestic demands distract them from doing their job.

Homeworkers ideally need to be:

- happy to spend long periods on their own
- self-disciplined and self-motivated
- a resilient personality who doesn't let setbacks get them down
- confident working without supervision
- able to separate work from home life.

Previous experience of successfully working from home can also be a factor.

A question of balance

It is important for employer and employees to recognise that while homeworkers and office-based staff should all be treated consistently and fairly, there may be minor differences between the two.

For example, a homeworker might find it easier than an office-based worker to take a little time off to deal with the delivery of a new domestic appliance, simply because they are already at home. In contrast, an office-based worker may have a greater sense of camaraderie at work.

When assessing whether a homeworking arrangement is practical, it is also important for an employer to be confident the pros and cons of being an office-based worker balance out against the pros and cons of being a homeworker. In other words, that there is not a significant advantage or disadvantage in being one or the other.

How an employer could set up a homeworking policy

Homeworking should be refused, or accepted and managed, through a comprehensive agreement so both employer and employees are clear about what is acceptable and expected.

Such a policy should cover the criteria for assessing whether or not a homeworking arrangement will be practical, effective and meet business needs. It should include how homeworkers will be managed, and implications for matters ranging from taxation to security of the organisation's information.

A larger employer is likely to need a more extensive homeworking policy than a small employer. Small firms might agree individual homeworking arrangements in writing, but it would be advisable to have a policy covering key points to ensure consistency in the business.

The policy should be determined through talks between employer and employees, and the employees' representatives, where they exist, or trade union representatives where there is a recognised trade union in the organisation. Any reviews and subsequent amendments by the employer, or amendments to other policies, should also be settled through consulting staff.

See the Acas guide [Employee communications and consultation](#) to find out more about the benefits of the employer involving staff in decision-making. The guide has advice for larger firms with 50 or more employees – they can be legally required to consult where at least 15 staff, or at least 10% of employees, ask for an information and consultation agreement.

In negotiating homeworking arrangements, both employers and employees should be aware of the effect on contracts of employment. To find out more, see Acas guide [Varying a contract of employment](#). The employer should also check whether other policies need amending, such as for discipline and grievances, and managing performance.

The main features of a policy for staff working from home are set out below. Towards the end of this guide, there is a [checklist](#) for setting up staff who will be regularly working from home.

Introduction	
Opening statement	The employer should set out its commitment to flexibility with the aim of meeting both its and employees' needs. It should also make clear that while homeworking is categorised as a type of flexible working, employees should not assume that other aspects of flexible working (such as amended hours) are automatically part of a homeworking arrangement.
Define homeworking	The employer should set out types of homeworking that the policy will cover and whether home or the employer's business premises will be the main place of work. For example, the types might include: • Home as the main place of work. • Flexible homeworking with time split between home and the office. • Mobile working with a base at home to travel to the employer's different premises and customers. • The office as the main place of work with working from home occasionally.
How an employee should apply	The employer should ask an employee to apply in writing, outline the process to be followed and factors to be considered in assessing their application (preferably linking to a flexible working policy), say who will make the decision, and the grounds on which the employee can appeal if their request is refused. To find out more, see the 'Acas guide on the right to request flexible working' Handling at www.acas.org.uk/flexibleworking

Business case	
Is the role suitable for homeworking?	The employer should set the factors for assessing whether the role can be done just as well away from the business base by someone working on their own.
Is the jobholder eligible?	The employer should set out who will be eligible. For example: • Those requesting it as a reasonable adjustment. • Those making a flexible working request. • Those who have completed a certain length of service or satisfactorily completed their training and achieved satisfactory in their last annual performance review.
Is the jobholder suitable?	Personal qualities required are likely to include: • Self-motivation and discipline. • Ability to work without direct supervision. • Ability to complete work to deadline.
Is the home suitable?	Homeworkers need a safe and reasonable space, security and privacy in which to work, and for office-type tasks an internet connection able to support work systems.
Will homeworking be beneficial?	An arrangement should meet business needs and the employee's needs so it is favourable for both.

Other important practicalities	
Health and safety risk assessments	The employer has a duty of care to its employees and should carry out a risk assessment before homeworking can be approved. It should set out what will happen if the risk assessment identifies concerns including who will make and pay for changes to bring the home up to standard, and what timescale will be allowed. It should also set out what will happen if concerns are not addressed and reserve the right to refuse a homeworking application.
Setting up the employee to work from home	The employer should set out: • What the company will provide. For example, furniture, phone, phone line, Broadband, printer, fire extinguisher, paper. • What the employee is expected to provide. For example, heating and lighting. • Who will pay for any installation and other necessary costs, and, if required and agreed, how costs can be claimed back. • Who the equipment belongs to, who is responsible for maintaining/moving it and how this will be done, and whether it can, or cannot, be used for personal matters by the homeworker or their family.
Running costs and expenses	The employer should state whether it will contribute towards costs in working from home – for example, heating and lighting – and expenses. If so, it should state how much, what can be claimed and how, and what is taxable.
Taxation	The employer should set out the implications of homeworking on tax. To find out more, see <u>HMRC's guidance</u>.

Mortgage, lease and insurance issues	The employee should tell their mortgage provider or landlord and home insurer of their intention to work from home. They should check that there isn't anything preventing them from working at home – for example, in their mortgage agreement, lease or insurance. The employee should obtain from their home insurer confirmation of cover should work equipment cause damage and for a claim from a third party. The employer should say if it will pay the extra if the employee's premium rises as a result. Work property and a claim by a third party should be covered by the employer's insurance policy.
The employer's access to the employee's home	The employer should say how frequently and in what circumstances it would require access to the home. For example: ● initial set-up ● maintenance of equipment ● health and safety assessment ● electrical equipment testing ● one-to-one meetings with managers/colleagues/clients.
If the employee moves home?	The employer should set out what will happen if a homeworker wants to move house.

Managing the homeworker	
Employee performance	The employer should set out how employees who work from home will be managed consistently with office staff, and given the same opportunities for training, development and promotion. It should also refer to its policies relating to: ● health and safety ● monitoring and performance ● team working ● communication ● training, development and support. The employer should ensure that employees who work from home are clear about their hours and the core hours when they should be at work.
The employee's attendance at the main office/base	The employer should set out how frequently, for how long, where and for what reasons the employee's attendance at the organisation's premises will be required.
Security including information	The employer should set out how staff working from home should store and transmit documents and information.

Setting up the employee to work from home

Technology

The effectiveness of technology at home, and the employer having a plan to deal promptly with breakdowns, can be crucial in determining whether homeworking will be a success.

Internet speeds and Broadband capacity can vary by location. However, the roll-out of improved communications infrastructure means that it is advisable to check what capacity is available at the employee's home.

Frustrations can be exacerbated if staff working from home are left feeling isolated when IT equipment problems occur. For such circumstances when technology goes wrong, there should be agreed clauses in the homeworking arrangement. For example, these might include that the employee handles offline tasks or, if their IT system is expected to be down for an extended period, that they may be expected to come into the office to work.

If a homeworker's computer crashes, could that prove more difficult to resolve than if it happened in the office?

It could do. However, it need not be much different than if an employee in the office was calling for help. The employer should have a support system in place so:

- the homeworker knows who to call
- the organisation's technology support team is geared up to resolve homeworkers' technical problems and travel to a call-out if necessary.

Support

The employer's support system should cover more than IT and include how staff working from home can:

- reach their manager if they need to in an emergency
- get support from colleagues who can't see that they need help.

Managers and colleagues will benefit from being more attuned to signs of stress from homeworkers through the tone of emails and telephone calls.

How can a homeworker get help when colleagues don't realise it is needed?

It is vital a homeworker should not feel cut off. From the beginning they should appreciate that it is easier for office staff to reach out for help.

This means homeworkers have to make extra effort to keep in touch with colleagues and their manager, make themselves available to the rest of their team and ensure they know how to contact them.

Also, in a homeworking arrangement, it could be recognised that staff working from home will need support from time to time – most employees do. The arrangement could also say what should happen when assistance is required.

The homeworker should alert their line manager and actions could include a telephone conference with relevant colleagues, or the employee coming into the office for a meeting to clarify the way forward. Also, a request for help should not be greeted as unwelcome or with surprise.

Cost

This could include:

- **Equipment for the home, set up costs and staff time:**

- Staff working from home in office-related roles are likely to need a desk, chair, computer, Broadband, phone and storage for any materials.
- Depending on their role and how frequently they work from home, they may also need a printer, specialist equipment, a shredder for confidential documents and a lockable cabinet for confidential documents.
- The employer and employee might agree that the employer should supply these. Or, the employee might already have all, or some, of them which are suitable for business use, and they may come to an agreement.
- Other set-up costs could include installing IT and any other equipment, the health and safety risk assessment of the place of work in the home, any planning permission to work from home and any reasonable adjustments for disabled staff working from home.

- **Possible ongoing expenses and taxation:**

- It is important that any agreements between employer and employee are compliant with tax requirements. [HMRC](#) provides further guidance for possible tax implications.
- Employer and employee should agree any warranted travel costs into the employer's premises or other locations. If an employee splits their working time between home and a workplace on a regular basis, then it may simply be a matter of agreeing travel costs to other locations.
- There should also be agreement over whether the employer will contribute an allowance to cover the cost of the employee's heating, lighting and any other equipment the employee might provide such as Broadband, phone and furniture, plus any extra insurance when they work from home.
- Any allowance is open to negotiation, but there is no obligation for the employer to pay, especially if it is the employee's choice to work from home and if they save on commuting costs.
- The employer and employee might agree that savings in time and money in not having to commute offset any extra costs in working from home.

- **Equipping the employer's workplace to accommodate visiting homeworkers:**

- An employer should provide some 'hot desks' or a similar arrangement at its premises for when homeworkers work in the office. The amount of resource for this should depend on the frequency of homeworker visits to the workplace and the overall number of homeworkers in the organisation.
- Depending on the size of the business and number of homeworkers, the sharing of these desks may need administering to ensure homeworkers have space to work when they do come in – this could be an extra task and cost. An option could be software for booking a desk before coming into the office.
- In larger workplaces, hot desks may be unnecessary as some staff are likely to be out of the office anyway.

Other considerations

- **Health and safety/reasonable adjustments:** These are essential to consider when setting up homeworking arrangements and are covered in more detail in the 'Stay on the right side of the law' section of this guide.
- **Keeping business information confidential:**
 - It is advisable for an employer to give a homeworker adequate facilities so they can follow the same rules for storing and transmitting information at home as they would in the office.
 - Homeworkers also need to be aware about security of information and keeping data confidential.
 - Many employers will have policies about information management and data protection which should be taken into account in homeworking arrangements.
- **Checking if planning permission is needed:**

Usually, it is the responsibility of the employee to check if they will need planning permission to work at home. However, in organisations where staff working from home is a fundamental part of the business model, it would be advisable for the employer to help steer employees through this process.

- For most people, particularly if they are office-type workers, it is unlikely that they will need planning consent to work from home.
- The key test is that if their home is still mainly home, then needing planning consent is unlikely. However, in other circumstances where the home becomes mainly business premises, it is probable that permission will be needed.
- If an employee answers 'yes' to any of these questions then permission is likely to be needed:
 - Will home no longer be used mainly as a private residence?
 - Will business result in a marked rise in traffic or people calling?
 - Will business involve any activities unusual in a residential area?
 - Will business disturb neighbours at unreasonable hours or create other forms of nuisance such as noise or smells?

If in doubt, check with the local council. The [Planning Portal](#), the Government's online guide to planning and building regulations, also gives useful information.

- **Checking if an employee has to pay business rates:**

Usually, it is the responsibility of the employee to check if they will have to pay business rates for working at home. However, in organisations where staff working from home is a fundamental part of the business model, it would be advisable for the employer to help steer employees through this process.

Indicators include:

- If an employee is using a study at home as an office for work, but the room is still used as a study the rest of the time, it is unlikely they will have to pay business rates. It would be the same if the dining room doubled as an office.
- However, if the employee sets aside a room for work and does not also use it as living space, or has adapted or structurally altered part of the home for work, they could be liable.
- The extent of use of the room or rooms, how often they are used, and whether the space is used by other staff or the public can also be factors.

If the employee is unsure, they should contact the [Valuation Office Agency](#), (part of HMRC) in England and Wales, or their [local assessor](#) in Scotland.

Managing homeworkers

How staff who work from home are managed will influence whether homeworking will be a success. Some managers find managing homeworkers more difficult than managing office staff. On the one hand, it may appear easier if staff spend more time in the office, but on the other, the potential benefits of homeworking arrangements may outweigh this.

There are four key ingredients for managing productive homeworking:

- building trust between staff who work from home and their manager
- agreeing how work performance will be supervised and measured

- communicating effectively
- training.

Building trust

A lack of trust has been found to be the greatest barrier to achieving successful homeworking. For it to stand any chance, there should be a healthy relationship of trust and confidence between homeworker and manager.

This can be a challenge for managers who prefer to have employees in sight and supervise face-to-face so they can actually see if employees are having difficulties, working too much or not enough.

Such managers can question whether staff who cannot be seen are committed and productive. Concerns of this nature can be legitimate and may need investigating, but an entrenched attitude of this nature can be a challenge to constructive business change.

Supervising work performance

How can a manager build and maintain a homeworker's relationships with themselves, colleagues and teams?

The employer should make sure the homeworker, those they co-operate and liaise with and report to all fully understand:

- what is expected of them in their roles
- how they are expected to work together.

All parties are likely to have to try harder to foster these connections than they would if they were based in the same workplace. Also, staff who work from home may need to make extra effort to keep colleagues up-to-date on how their work is progressing and to offer help to others in building a spirit of co-operation.

This is a task managers can find more difficult with homeworkers if they prefer to rely on assessing performance by what they see staff doing, and the number of hours spent in the office. For example, a manager may be accustomed to overhearing good phone conversations with customers, or having minor discussions about workloads and challenges throughout the day.

It may be advisable to judge staff who work from home on the quantity and quality of the work they produce, or agreed work objectives achieved. For example, a manager may find it more beneficial to focus on the number of customers handled, or whether or not sales targets are met.

Managers will benefit from an understanding of the advantages of homeworking and being trained so they are confident in supervising and assessing an employee's performance from a distance.

Staff who work from home need to be clear on how they will be managed and how their appraisal process will be conducted. It is best to agree in advance when and where manager and homeworker will meet to review performance.

It can help if staff who work from home keep a diary outlining the time they spend working and on what, and meet up face-to-face regularly with their line manager to review progress on work or any concerns.

It is also advisable for a line manager to monitor homeworkers to make sure they do not over-work. Some staff who work from home can feel the need to work too hard as justification for working from home. A manager who recognises that a homeworker is over-working should have a quiet word with them as a first step towards getting them back on the right course, so they take breaks and do not work excessive hours.

What should a line manager do if a homeworker is not performing as they should?

Performance management of staff who work from home should be consistent with that of office staff, so it would be advisable to focus all assessments on work produced and whether or not objectives have been met.

If a manager has concerns, they should have a quiet word first as this may clear up misunderstandings or help them understand the problem. The manager can then provide support if necessary. But, if the homeworker's performance does not improve, the manager may need to act further in line with the organisation's disciplinary or capability policies.

For more information, go to www.acas.org.uk/discipline.

Communication

This can be another challenging area, as research has found that office-based managers tend to communicate more frequently with office-based staff than home-based staff, and more often than managers who travel and work at home, yet who still have to effectively supervise and support their staff.

Office-based managers are more likely to talk face-to-face to staff in the office, but on the phone to those based at home.

How do managers and colleagues effectively keep in touch with staff working from home?

Before any homeworking arrangement is approved, an employer should explain to the prospective homeworker how information, ideas and feedback will be shared with managers and colleagues. This might be through email, telephone, video conferencing, regular and planned face-to-face meetings, or a blend of these.

An employer will need to come to an agreement with the homeworker not only over how, but when and where contact will be made. Also, an employer should review these arrangements regularly to ensure they are working for everyone involved.

In practice, an employer will need a system for keeping in touch with all staff who work from home in similar roles. Otherwise, running the organisation could become overly complicated and, as a result, ineffective.

Regular face-to-face meetings can help employees overcome any feelings of isolation and keep in touch with the rest of the business.

How does a manager or colleague know when staff are working from home?

Generally, a homeworker should work the hours agreed with the employer. Depending on what is agreed with the employer, there may be some flexibility on when the homeworker works outside the core hours.

It can be helpful for staff working from home to establish a system where colleagues are aware of their day-to-day availability.

In the same way as contact with on-site workers may occasionally take place out of hours, staff working from home may need to be contacted flexibly. However, it is important to remember that simply because someone is a homeworker does not mean they are available 24/7.

How often should a homeworker attend meetings in the office?

It is good practice for homeworkers to attend regular meetings in the office. What is regular will depend on the demands of the business – it might be weekly, fortnightly or monthly.

Managers could expect homeworkers' attendance at these regular meetings – and they should only be excused if the manager gives permission for business reasons or because of approved absence for personal reasons.

However, the homeworker might still be able to join in through a telephone or video conference.

It should be made clear by the employer that employees refusing to attend team meetings 'because they are homeworkers' will be unacceptable.

Training and development

It would be helpful for both staff who work from home and their managers to be trained in what is expected of them in their roles, and for each to understand the other's perspective, particularly regarding supervision and reviewing job performance.

Although some homeworkers might not want to go for promotion because it might mean spending more time at the organisation's main base, the employer should ensure homeworkers generally are not disadvantaged. Examples of encouragement might include offering time with a mentor, providing training to help them develop, and ensuring they are considered for key projects and opportunities for promotion in line with office colleagues.

Conclusion: It's worth weighing up the pros and cons

Research shows that employees reporting the greatest job satisfaction and work-life balance are those who work from home some of the time and from the employer's base the rest, or working at different locations including home.

Combining working from home and from an employer's base can also prove to be the best blend from the employer's point of view, with the organisation benefiting from increased productivity while team relationships remain effective and some overheads can be reduced.

Making the most of technology and having support and procedures in place for when it breaks down are key factors in successful homeworking.

However, homeworking does not work for every organisation or every employee, so careful consideration needs to be given to all aspects of the homeworking arrangement before it is agreed. Any arrangement should be reviewed regularly by the employer to make sure it continues to meet both business and the employee's personal needs.

The most successful arrangements are carefully thought through, with clear policies and procedures to support them, and management and staff who are all committed to making homeworking work. Once homeworking is introduced, any scepticism or suspicions from directors, managers or work colleagues need to be addressed.

An employer can talk to the Acas helpline on 0300 123 1100 about how to set up a homeworking scheme and ask to be put in contact with a senior Acas adviser in its area. Acas can also provide training to give managers the skills to supervise homeworkers and help an employer introduce a homeworking policy.

Stay on the right side of the law

Health and safety

Health and safety for homeworkers can be a little different than for employees at an employer's base, but it should be remembered that employers have a duty of care for all their employees, and the requirements of all of the health and safety legislation apply to homeworkers.

It is the employer's responsibility to carry out a risk assessment to check whether the proposed home workplace's ventilation, temperature, lighting, space, chair, desk and computer, or any other kind of work station, and floor are suitable for the tasks the homeworker will be asked to do.

The employer is responsible for the equipment it supplies, but it is the responsibility of the employee to rectify any flaws in the home highlighted by the assessment. It is advisable that the employer should not allow homeworking until any problem has been resolved.

Once the home workplace is passed as safe, it is the responsibility of the homeworker to keep it that way and take reasonable care of their health and safety. However, they should tell the employer if any precautions turn out to be inadequate.

Employers should be aware that inspectors from the Health and Safety Executive have the right to visit homeworkers in the home, but it is very unlikely to happen.

The Health and Safety Executive has guidance on low-risk homeworkers, such as in office-type roles. It also has advice regarding higher-risk homeworkers, such as where heights, violence and hazardous materials can be dangers.

The HSE also offers advice on How to carry out a risk assessment and examples of assessments.

Flexible working requests

From June 30, 2014, all employees who have worked for their employer continuously for 26 weeks have the right to ask their employer if they can work flexibly – that might be to do with hours, times or place of work.

Previously, only some parents and carers had that legal right to make a request.

However, an employer can still turn down requests on certain business grounds. If an employer is going to refuse a request for homeworking, it must be able to explain objectively why an employee must work at its premises on business grounds set out in law.

To find out more, see the 'Acas guide on the right to request flexible working' at www.acas.org.uk/flexibleworking

● When considering requests:

In considering requests and business grounds, an employer must be careful not to inadvertently discriminate against an employee because of a protected characteristic they have under the Equality Act 2010.

The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex, and sexual orientation.

Discrimination has the effect of putting a person with a protected characteristic at a disadvantage when compared to others. Indirect discrimination is often unintended and can arise from policies, procedures, rules and practices in an organisation.

As equality and discrimination can be a complicated area, it can be advisable for an employer to also carefully consider requests from employees with less than 26 weeks' continuous service to avoid any potential claims of indirect discrimination.

For more on discrimination, go to www.acas.org.uk/equality

- **Making reasonable adjustments:**

It is unlawful to discriminate against employees who have a physical or mental disability which has a substantial and long-term effect on their ability to carry out normal day-to-day activities. It is also unlawful for an employer to fail to make 'reasonable adjustments' so a disabled person can work for it.

For example, 'reasonable adjustments' can include changing an employee's terms and conditions of employment and working arrangements if their disability is making it difficult for them to work, and so they will not be disadvantaged and to help support them. This can mean allowing them to work from home if it is determined that this would be beneficial to them in their role.

Homeworking is one very specific example of a possible reasonable adjustment. Others in such circumstances might be to move them to a different type of work, if necessary and with their agreement, giving them more time to complete tasks they are finding problematic, and adjusting their hours and breaks.

In making reasonable adjustments, it is also important for an employer to treat staff fairly and consistently, whether they work from home or the office.

Making reasonable adjustments can be a complicated area. The Acas helpline on 0300 123 1100 can give advice on specifics.

Real-life case studies

Case study 1: Large organisation, Acas

Acas, the Advisory, Conciliation and Arbitration Service, is a statutory body. For more than 35 years its role has been to enhance life at work in Britain by preventing and resolving disputes. It has about 750 staff and has had homeworking arrangements for almost 20 years.

Why does Acas need homeworking?

- Acas has a large number of roles where staff work remotely and/or which can require considerable travel between offices and clients. Homeworking is a way to minimise travel.
- It has been able to reduce its office space around the country to reduce overheads.
- There has been a growing demand to work from home.

What homeworking arrangements does Acas have?

More than one in every ten staff are designated as homeworkers, but many more work from home occasionally.

Types of arrangement include:

- Homeworkers who do almost all of their work at home.
- Partial homeworkers who split their time between different offices, home, customers and travel.
- Mobile workers who spend about half their time with clients or travelling, with the rest divided between office and home.
- An independent evaluation of pilot homeworking arrangements at Acas, followed by negotiations between senior managers and trade unions, led to its homeworking policy being established and developed. Working from home is subject to the line manager's discretion.

What are the key benefits and considerations?

- Higher performance, job satisfaction and motivation from partial homeworkers and mobile workers. They also report less stress than office staff.
- Partial homeworking gives the best sense of wellbeing.

- Some employees who largely work at home can be less likely to seek promotion if it means spending more time at one of the organisation's bases and more likely to feel isolated.
- Managers say they tend to communicate more often with office-based staff.

Case study 2: Small firm, Cuddledry

Cuddledry is a retail business best known for its apron-style baby towel presented to TV's Dragon's Den. It has two full-time and eight part-time employees who all work from home. In 2009, it won a national award for outstanding growth.

Why does Cuddledry need homeworking?

- It was founded by two mums working from home so they could also manage family life.
- When the business started to grow, they looked to move to an office and warehouse, but decided to stick with homeworking when they realised overheads of premises, including power, maintenance and security, would hit the balance sheet.
- Time commuting can be better spent on business – or making time for the family.
- Homeworking assists with working flexible hours when conducting business with customers in different time zones – its range sells in more than 30 countries.

What homeworking arrangements does Cuddledry have?

It looks to employ home-based personnel – many are mums no longer able to work full-time in high-powered roles due to family commitments.

- Employees all have their own laptops and work online through the business's website, email or phone in dealing with customers, managing the business and liaising with colleagues. It is paper free.
- Meetings and travel are only on an 'absolutely necessary' basis and as infrequent as possible to save on fuel costs.
- When meetings are held, they are in a hired room in a hotel, restaurant or serviced offices.

- Regular social gatherings to build team spirit.

What are the key benefits and considerations?

Cuddledry says:

- Its employees are ‘hugely motivated’ because they have responsible jobs that fit in with home life.
- The attractions of working from home and flexibly have helped it recruit more highly-skilled staff – and they can be anywhere.
- The business has achieved greater profits through lower overheads and higher productivity.

Case study 3: Small firm, Zircon Management Consulting

Zircon is a business psychology company helping clients recruit, develop and retain staff. It has 116 employees and associate consultants who all work from home or at clients’ bases. Customers include Barclays, M&S and the Home Office. In 2010, it won a national award for homeworking benefiting an employer.

Why does Zircon need homeworking?

- Costs, prices and wages – Zircon says overheads are significantly lower because employees work mainly from home. As a result, its prices are competitive, while employees are paid a healthy proportion of billable rates.
- It is Green and working from home helps cut travel pollution.
- More than 60% of employees and associate consultants work part-time and have flexible hours to fit in with family and their preferred lifestyle.

What homeworking arrangements does Zircon have?

- All employees, including directors, complete timesheets used to help identify and reward hard work, but also ensure staff keep a work-life balance and do not work excessive hours.
- It does not have a formal homeworking policy, but the staff handbook covers homeworking.
- Directors communicate with staff through regular telephone calls rather than email or social media. Colleagues work together on projects at client sites, and project leaders hold weekly conference calls. Also, there are

team conference calls once every two or three weeks, and face-to-face meetings in the Surrey head office two or three times a month.

- Team building get-togethers at least twice a year – usually, the summer event includes family and a winter one is just for staff.

What are the key benefits and considerations?

- A very low turnover of staff.
- Zircon says it cannot offer the salaries of a larger organisation, but home and flexible working enable it to recruit and retain high-calibre employees.
- Staff have more time for work – or home responsibilities or leisure – because they don't commute. Also, they don't have to pay commuting costs.
- When working, staff are more productive.
- Having staff working different hours helps the business adapt to clients' varied needs.

Further advice and support

Checklist for setting up homeworking

Use this checklist to make sure employer and employee have everything in place, and keep it as a record of actions taken. It is set up to be used for staff working largely from home, but can be adapted to suit other arrangements if desired.

	Action	Completed (insert date & notes)
1	Employer to make sure employee has a suitable area at home to work	
2	Employer to make sure employee has/ is provided with:	
	● Furniture	
	● Phone	
	● IT	
	● Adequate internet connection	
	● Fire extinguisher	
3	Employee to check home insurance covers homeworking and a claim from a third party	
4	Employer to check its insurance covers business equipment in the homeworker's home and a claim from a third party	
5	Employer to carry out a health and safety risk assessment	

6	Employee to tell their mortgage provider/landlord of their plan to work from home and to check they are allowed to under their mortgage or rent agreement	
7	Employee to check if business rates will have to be paid	
8	Employee to check if planning permission is necessary	
9	Employer and employee to agree keeping in touch through, for example:	
	● Phone/Skype®/email	
	● Planned meetings at the main office/base	
	● Planned meetings at the homeworker's home	
	● Co-operation with colleagues	
10	Employer and employee to agree how often the employee will attend the main base/office	
11	Employer and employee to agree how performance will be monitored and managed	
12	Employer and employee to agree any arrangements for claiming expenses, what can be claimed, how, when and what is taxable	

13	Employer and employee to agree how often the homeworking arrangement will be reviewed, and when and where review meetings will be held – if a trial period has been agreed, when that will be assessed, and what will happen if it doesn't work out	
14	Employer to put arrangements in writing and/or issue a homeworking policy	
15	Employer to compile a consent form. Employer and employee to sign it to show details of the homeworking arrangement have been agreed	
16	Employer to amend the employee's contract to reflect the homeworking agreement	
17	Employer to check IT support is in place including what will be provided by who, when and how	

Suggested further reading

Acas

[Flexible working and work-life balance.](#)

[The right to request flexible working.](#)

[Delivering equality and diversity.](#)

[Varying a contract of employment.](#)

[Health work and wellbeing.](#)

[Promoting positive mental health at work.](#)

[Employee Communications and Consultation.](#)

Other Acas publications

Whether you need to know how to write a contract of employment, how much holiday an employee is entitled to, or about the latest employment legislation, our range of booklets and online guides give practical information and advice for both employers and employees on workplace matters. Go to www.acas.org.uk/publications for more information.

Gov.uk

[Expenses and Benefits: Homeworking.](#)

HMRC

[EIM32760 – Other expenses: home: working from home.](#)

[EIM01472 – Employment income: household expenses: payments to reimburse additional costs: introduction.](#)

The Equality and Human Rights Commission

[The employer's duty to make reasonable adjustments for disabled people.](#)

Office for National Statistics

[Office for National Statistics.](#)

Legal information is provided for guidance only and should not be regarded as an authoritative statement of the law, which can only be made by reference to the particular circumstances which apply. It may, therefore, be wise to seek legal advice.

Acas aims to improve organisations and working life through better employment relations. We provide up-to-date information, independent advice, high quality training and we work with employers and employees to solve problems and improve performance.

We are an independent, publicly-funded organisation and many of our services are free.

May 2014

Acas offices:

- **National**
London
- **East Midlands**
Nottingham
- **East of England**
Bury St Edmunds, Suffolk
- **London**
- **North East**
Newcastle upon Tyne
- **North West**
Manchester
- **North West**
Liverpool
- **Scotland**
Glasgow
- **South East**
Fleet, Hampshire
- **South West**
Bristol
- **Wales**
Cardiff
- **West Midlands**
Birmingham
- **Yorkshire and Humber**
Leeds

Helpline **0300 123 11 00**

18001 0300 123 1100

Acas Helpline Text Relay

To view a full list of Acas publications
go to **www.acas.org.uk/publications**

0300 123 1150

Acas Customer Services Team who
can provide details of services and
training in your area or visit
www.acas.org.uk/training

0300 123 1100

for questions on managing
equality in the workplace

www.acas.org.uk



INVESTOR IN PEOPLE