



THE COVES GOVERNING BODY NPC, REGISTRATION NUMBER: 2003/010909/08  
P.O. Box 973, Broederstroom 0240, Tel: 012-207 1465  
[www.thecoves.co.za](http://www.thecoves.co.za)

## **POLICY RUN A BUSINESS FROM A RESIDENCE**

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### **1. INTRODUCTION**

- 1.1. So many elements impact the 'where' of work today. Among them are considerations such as the pandemic forcing companies to embrace work-from-home for employees; advances and proliferation of technology-based platforms for collaboration; ease of fibre-based connectivity; costs of office space and relative maintenance and utility bills; uncertainties around stable electricity; the need to reduce environmental and time-loss impacts of transport; fluctuating petrol price increases and decreases; and enabling a work-life balance scenario.
- 1.2. The solution has been evident for decades; businesses that can, particularly micro-enterprises, should work from a home office, dramatically highlighted and proven viable by the Covid-19 pandemic lockdown restrictions. The realisation is that staff are proving adaptable and manageable online while simultaneously reducing running costs impacts. This may mean forsaking some foot traffic, but that's where online marketing efforts compensate.

### **2. THE LEGALITIES OF RUNNING A BUSINESS FROM HOME**

- 2.1. Moving businesses to a home-based office prompted many to question the legalities of doing so. However, a home-business operator must ensure that the use of the property is in line with the zoning regulations applicable to your property.
- 2.2. Generally, a residential property zoned for single residential use within its municipal borders can be used as a business base and as the registered business address, provided the type of business does not require a specific business licence.
- 2.3. To ensure your home-based business will or is operating within the boundaries of the Local Authority's Municipal Planning By-Laws (which are informed and governed by the Land Planning and Ordinance Act), the first step is to check your properties' zoning with a Town Planner.

### **3. PROPERTY NOT ZONED FOR YOUR TYPE OF OPERATION**

- 3.1. Let's assume that you have established that your business is compliant regarding zoning; there are applicable rules with which you must comply.
  - 3.1.1. First is that not more than 25% of the built floor area of the dwelling, or 50% thereof, whichever is the lessor, be used for non-residential purposes.
  - 3.1.2. Second, the **owner must also permanently reside in the home.**



- 3.1.3. Third, the number of people working within that business is limited to two, and the household members who live there permanently.
- 3.2. **Parking** is essential as many local authorities require that off-street parking be available for business visitors. The rule is that there has to be one parking bay open per 25m<sup>2</sup> of the building being used to run a business. This makes it somewhat more difficult for residents living in The Coves Estate or sectional title complexes, and for which, incidentally, permission must be granted from Homeowner Associations to operate a home business in terms of the constitution of the Estate or the management rules of the Body Corporate.
- 3.3. Take note of the requirements of visitors' parking requirements in The Coves Architectural Rules, requiring that sufficient visitor parking exists behind garages to avoid parking vehicles inside the road reserve.
- 3.4. Every member has a primary right to conduct business from home. Typically a house in The Coves is zoned as Residential. Therefore a resident is allowed to conduct his profession from their home.
  - 3.4.1. A profession is an economic activity that requires special knowledge and skill to be applied by individuals to earn their living.
  - 3.4.2. Individuals engaged in a profession are known as professionals.
  - 3.4.3. These professionals must follow professional bodies' guidelines or codes of conduct.
- 3.5. The types of businesses typically allowed to operate in residential areas include those active within the service industry. For example, small hair and beauty salons, even a dentist or small medical practice are allowed.
- 3.6. MUNICIPAL REGULATIONS: It is important to note that certain businesses are not permitted to operate in a residential area at all. These include motor sales, heavy mechanical repairs, a car wash, spray painting operation, a shop or retail outlet, a spaza shop, a tavern or shebeen, a restaurant or coffee shop. Other businesses not permitted to operate from home include a place of amusement, a commune, or a hotel. In addition, institutions or organisations founded for religious, educational, professional, or social purposes are prohibited.
- 3.7. While it might be tempting to forgo the inconvenience of acquiring legal clearances for a home business, remember that it's not easy to hide that you are running a business from home. If a neighbour dislikes your residential company and lays a complaint, which happens more regularly than you may think, you could face severe penalties if you don't have the required permissions.
- 3.8. With the business-from-home model growing in popularity, particularly among those who have had to close their leased-building or commercial/retail office space, engaging with neighbours and advising them of your intent is highly recommended. In addition, they will need assurances that noise levels will not increase, that their parking facilities will not be compromised and that your business visitors will not attract criminal elements into the neighbourhood.



#### 4. OWNERS APPLYING FOR BUSINESS RIGHTS

- 4.1. The rules at The Coves require that ALL businesses must be registered with the Estate's Management Office. In addition, the Board must consider the nature of our Estate (residential) and ensure that the businesses do not detract from this, create additional security risks, or impact facilities and infrastructure.
- 4.2. Our appointed town planner advised us that, regarding Madibeng by-laws, all businesses have to apply for rezoning or consent of use as a business instead of residential 1, our current zoning. (A copy of this letter is available from the Estate office).
- 4.3. Consent given by the Governing Body to run a business does not remove the requirement outlined in point 4.2 above.

#### 4.4. **Our current rule is below for reference:**

*Article 1.2: "No business activity may be conducted at a unit of The Coves, unless the written consent of The Coves Governing Body has been obtained, which consent shall not be unreasonably withheld. The Governing Body will take into consideration if such activity will cause aggravation or nuisance to other residents. Residents and neighbours input will be taken into consideration in granting permission. In the event of a business requiring a license from any authority such license shall be obtained by the owner."*

- 4.5. The zoning requirements for businesses in the service industry in Madibeng would depend on the specific location of your property and the zoning regulations set by the local municipality. Businesses in the service industry are typically considered commercial businesses and would likely require commercial zoning. However, it is important to note that different areas within Madibeng may have different zoning designations, so it's important to check with the local municipality to determine the specific zoning regulations that apply to your property.
- 4.6. To get started, contact the Madibeng Local Municipality's town planning department or appoint a town planner and inquire about the zoning requirements for a commercial business. They can provide specific information about the zoning regulations that apply to a property and guide you through obtaining any necessary permits and approvals.
- 4.7. Applying to The Coves for approval, ensure that your application is complicit with municipal by-laws, The Coves' and Body Corporate's rules (if applicable.) Provide management with a business plan to address the issues discussed above. Add consent letters from neighbours, proof of licences required etc.



**FORMS**  
**RUN A BUSINESS FROM A RESIDENCE**

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**APPLICATION FORMS AND SUPPORTING DOCUMENTS**

When a resident wishes to apply for the right to run a business from home, the following documents would be required:

- 1.1. The application form to register a business from home.
- 1.2. Body Corporates consent (if applicable)
- 1.3. Zoning certificate
- 1.4. Business license (if applicable)
- 1.5. Business Plan
- 1.6. Consent letters from neighbours



**APPLICATION FORM**  
**APPLICATION TO RUN A BUSINESS FROM A RESIDENCE AT THE COVES**

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Name of Applicant: \_\_\_\_\_

Cove and Erf/ Unit No: \_\_\_\_\_

Name of Business: \_\_\_\_\_

Details of Business: \_\_\_\_\_

In support of your application, attached the following documents:

1. This application form.
2. Body Corporates consent (if applicable)
3. Zoning certificate
4. Business license (if applicable)

Complete the questions stated herein.

	<b>Details of Property</b>	<b>Y/N</b>
1	Do you own the home at The Coves, where you plan to run a business from?	
2	If not, do you have permission from your landlord to run your business?	
3	Will your business occupy less than 25% of the total square meterage or less than 60 sq. meters of the residence?	
4	Do you reside permanently in the house you plan to run your business from?	
5	Is there adequate parking on your own property for your outside clients if you have them? (At least two parking bays)	
6	Is the property adequately zoned?	
7	Do you need a special license to do business?	
	<b>Office Use - Count 1 point for every NO answer – total score.</b>	
	<b>Details of Business</b>	<b>Y/N</b>
8	Will you have outside clients coming into the Estate?	
9	Will your outside clients come onto the Estate outside of regular business hours?	
10	Will you have more outside clients than Coves' clients?	
11	Will your business generate any noise or disturbance (machinery, equipment)?	
12	Will your business use the Coves facilities, i.e., tennis court, swimming pool, clubhouse?	
13	Will you have employees in your business?	
	<b>Office Use - Count 1 point for every YES answer – total score.</b>	
14	If your answer to 11 was Yes, please identify how many employees are involved in your business.	
15	Is there anything else you want to tell us related to your business?	



If your total score is less than 4, then it may be approved by the Estate Manager without reference to the Board but also subject to an overriding discretion to refer the matter to the Board despite the score.

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However, the Estate Manager must refer your application to the Board if you answer NO to points 3 or 4 or YES to 10. A score greater than four must also be referred to the Board.

If the application is referred to the Board, it will review the business based on the above but will also consider the additional factors below:

- a) Does your business enhance the lives of the community of The Coves?
- b) If you use the facilities, does this inconvenience other residents?
- c) Does your business change the nature of the Estate?

The Board answers to 412 potential homeowners. The safety and well-being of the majority of owners are our concerns.

Despite what is set out above, Rule 1.2 in our current rules remains the guiding principle based on which the Board will exercise its discretion.

It is also important to note that any approval can be withdrawn at any time if your business changes in any way that changes the answers to the table above, if the municipal by-laws change, or in the case of additional factors listed above. Naturally, if any of the information in your application is false or inaccurate, the Estate Manager or the Board has the right to withdraw permission immediately. It is also important to note that approval from the Board does not replace the requirement that you comply with all Madibeng by-laws and requirements.

The Estate office will inform you of their consent or refusal to allow your business as soon as reasonably possible.

Regards

The Coves Management



**APPROVAL**  
**RUN A BUSINESS FROM A RESIDENCE**

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This policy was approved on behalf of the Board by:

Director:

Date Approved:

Signature: \_\_\_\_\_