

Thinking of being your own boss?

Being self-employed or starting a small business can be an attractive route out of unemployment. Nearly four million people in Britain are self-employed and the numbers are growing all the time.

Self-employment can offer flexible working hours, an opportunity to do something you enjoy and are good at, and a chance to be your own boss.

The early stages can be the most difficult, when you are finding your way and income may be irregular. But, if you get it right, being self-employed can be more exciting, rewarding and challenging than working for someone else.

Government provides a lot of really good information about becoming self-employed or starting your own business. You can access this on the following websites: England - www.businesslink.co.uk, Scotland - www.business.wales.gov.uk

The 'StartUp Britain' website - <u>www.startupbritain.org/</u> - brings together links to commercial websites offering advice, help and services to new businesses. Also try entering the following 'How to start a ????? business' into any search engine and you will find a lot of websites offering information and advice. Do take care though to make sure the advice offered is genuine and check if there is a cost involved.

Is it for you?

Becoming self-employed or getting started in business doesn't always need qualifications so if you are self-motivated, determined to succeed and prepared to put in the time and effort needed it could be right for you.

Getting started – what do I need to think about first?

To get started in any business you need to have a plan. This means thinking about all the things involved in setting up. For example:

- Is there a gap for your product or service?
- How much money do you need to fund your new venture and where will this come from? You might be using a redundancy payment, a loan from family or friends or a loan from the bank.
- How will you make sure your products and services are what your customers want? You want them to keep coming back.
- What equipment do you need?
- Do you need premises or can you work from home?
- Do you need to employ people? Knowing the person you want to employ can be a good idea, just make sure they have the right skills to help you.

Business Link has a comprehensive guide to help you put a plan together.

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Have you considered Franchising?

Taking on a franchise can be an option worth considering if you want to run a business but don't have a specific business idea or if you prefer the security provided by an established concept.

In the right circumstances, taking on a franchise can give you a head start. Instead of setting up a business from scratch, you use a proven business idea. Typically, you trade under the brand name of the business offering the franchise, and the established franchiser provides help and support in return for a fee or a share of your profits. Before taking on a franchise, it is important to research the business carefully so you know what it offers you and what you will be expected to do in return. Consider carefully how much finance you will need to invest.

As well as the Business Link websites the following organisations offer advice to help you decide if franchising is the best option for you – British Franchising Organisation - www.thebfa.org/whatis.asp and whichfranchise.com - www.whichfranchise.com/resources.cfm

Registering as self employed

Whatever the type of business you start up you will need to register your business with the appropriate organisations. You can register your business either online, by telephone or by post and to avoid incurring any penalty costs you are advised to register your business as soon as possible.

- Register as self employed with HM Revenue & Customs
- Obtain permits and any planning permission from you local authority
- Contact your local authority to see if you need to pay business rates

Business Link and HMRC have developed a useful tool on the <u>Business Link</u> website to help you register for tax and national insurance

How can Jobcentre Plus help you start up on your own?

The New Enterprise Allowance (NEA)

The NEA will help unemployed people who want to start their own business. It will be available to people who have been claiming Jobseekers Allowance for six months or more. It will provide access to business mentoring and offer financial support up to around £2000.

Enterprise Clubs

Enterprise Clubs are run by local organisations and provide unemployed people interested in self-employment with a place to meet and exchange skills, make contacts, share experiences, receive support and encourage each other to work through their business ideas. Your Jobcentre Plus adviser will be able to tell you whether there is an Enterprise Club running in your local area.

Recruitment advice

If you need advice on taking on a new member of staff, Jobcentre Plus has a network of recruitment specialists who can provide advice and help finding the right person for your job call 0845 600 2001 and select option 2.

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