

# Start your own business

Information to help you bridge the gap between unemployment and work

## Retaining your Social Welfare Payment

There are two types of Enterprise Allowance which may allow you to retain a Social Welfare Payment / Secondary Benefits and start your own business.

### BACK TO WORK ENTERPRISE ALLOWANCE (BTWEA)

#### Qualifying for BTWEA

You will qualify for the BTWEA if you:

- Are starting your own business that has been approved in advance in writing by a Facilitator or Enterprise Officer
- And
- Are 12 months unemployed and getting Jobseeker's Allowance (JA) or Jobseeker's Benefit (JB) and have an entitlement to JA.

#### Payment on BTWEA

The amount of time you can participate on the BTWEA is 2 years. You will receive 100% of your Social Welfare payment for the first year, and 75% for the second year.

If you have previously participated in the BTWEA scheme and exhausted your entitlement, you can participate a second time after a period of at least 5 years has elapsed.

**i** You may also qualify for BTWEA if you are in receipt of other types of Social Welfare payments, including a One Parent Family Payment.

#### Applying for BTWEA

You will need to complete the application form BTW 2 (available from [www.welfare.ie](http://www.welfare.ie)) and send it to: The Enterprise Officer in your local Partnership / Local Development Company. If you do not live in a Partnership area you should send your application to the Facilitator in your local Social Welfare office.

Your application will be examined by the Enterprise Officer or Facilitator who may wish to discuss certain aspects of your proposal with you.

**Do not begin self-employment until you have received written approval from your local Partnership/Local Development Company or the Department of Social Protection.**

## Retaining your Social Welfare Payment

### SHORT-TERM ENTERPRISE ALLOWANCE

#### Qualifying for the Short-Term Enterprise Allowance

You will only qualify for the Short-Term Enterprise Allowance if you are in receipt of Jobseeker's Benefit.

#### Payment on Short-Term Enterprise Allowance

The Allowance will be paid for a maximum of 1 year. It will end when your entitlement to Jobseeker's Benefit (JB) ends. If you are already on JB, you will only receive the Short-Term Enterprise Allowance for the remaining time you have left on JB.

**Example:** John has an entitlement to a JB payment for 12 months. He applies for the short-term enterprise allowance after being in receipt of a JB payment for 3 months. He will receive this allowance for the remaining 9 months he has left on JB.

### SECONDARY BENEFITS AND THE BTWEA/SHORT-TERM ENTERPRISE ALLOWANCE

Participants may be able to keep some or all of their Secondary Benefits while on either scheme.

Secondary Benefits not affected by income:

- Medical Card

Secondary Benefits that may be affected by income:

- Back to School Clothing and Footwear Allowance
- Rent Supplement
- Mortgage Interest Supplement (for own home only)
- Local Authority Rent / RAS
- Fuel Allowance (BTWEA only)

Contact the INOU / CIC for further information.

#### Qualified Adults – Spousal Swap

A qualified adult is a spouse or partner who does not receive a social welfare payment in their own right. A qualified adult may be eligible for an Enterprise Allowance payment. This involves the main claimant and the Qualified Adult exchanging places on the welfare payment.

## Technical Assistance and Training Fund

This fund is designed to help people getting the BTWEA with certain costs involved in starting your business. Assistance from this fund must be approved by the Facilitator in your Social Welfare local office. Payments from the fund must be made directly to the provider of the service. Your local Facilitator or Enterprise Officer can give you more information on sources of help and funding.

**Please note:** you do not have an automatic entitlement to this fund.

## Services

**CITY/COUNTY ENTERPRISE BOARDS (CEBs) (Local Enterprise Offices)** provide advice and support in setting up a business. This includes:

- Providing grants for feasibility studies
- Financial support for the establishment of new businesses
- A range of soft supports such as mentoring

 [www.enterpriseboards.ie](http://www.enterpriseboards.ie)

### **PARTNERSHIPS / LOCAL DEVELOPMENT COMPANIES**

Provide supports for people starting their own businesses. An Enterprise Officer provides advice, training and business mentoring supports. Local Development Companies approve applications to Enterprise Allowances.

 [www.ildn.ie](http://www.ildn.ie)

**LOCAL SOCIAL WELFARE OFFICE** Facilitators may be able to provide some smaller scale funding e.g. training. Facilitators also approve applications to Enterprise Allowances and approve funding to the technical assistance and training fund.

 [www.welfare.ie](http://www.welfare.ie)

**ENTERPRISE IRELAND** focus on business start-ups which have a high potential to create jobs and develop an export market.

 [www.enterprise-ireland.ie](http://www.enterprise-ireland.ie)


## Obtaining Finance

**PARTNERSHIPS / LOCAL DEVELOPMENT COMPANIES** may have their own loan facility or may have an arrangement with the local Credit Union. Check with the enterprise officer.

**CITY/COUNTY ENTERPRISE BOARDS** provide low interest or interest free loans for selected projects.

**FACILITATORS** in your local Social Welfare Office may provide small grants from the Technical Assistance and Training Fund.

**BANKS** — It may prove to be difficult to get a loan in the current economic climate so it is very important that you present your business plan as clearly and confidently as possible.

 Be prepared for a range of detailed questions including how you plan to guarantee the loan that is being applied for.

Most banks also offer a range of different services and supports to start up businesses which include: free banking services on certain account types; waiving account transaction fees; and access to professional advice.


**CREDIT UNIONS** link with local City/County Enterprise Boards to provide small loans. Check with your local Credit Union for further information.

 [www.creditunion.ie](http://www.creditunion.ie)

**FIRST-STEP** provides regional micro-enterprise networks where you will receive free training, mentoring and access to start-up loans of up to €25,000.

 [www.first-step.ie](http://www.first-step.ie)

**ENTERPRISE IRELAND** offer matched funding of up to €15,000 for High Potential Start-up companies.

 [www.enterprise-ireland.com](http://www.enterprise-ireland.com)

## Useful Links ✓

<b>BASIS</b>	<a href="http://www.basis.ie">www.basis.ie</a>
<b>Companies Registration Office</b>	<a href="http://www.cro.ie">www.cro.ie</a>
<b>Pobal</b> (formerly Area Development Management Ltd)	<a href="http://www.pobal.ie">www.pobal.ie</a>
<b>Office of the Director of Corporate Enforcement</b>	<a href="http://www.odce.ie">www.odce.ie</a>
<b>Citizens Information</b>	<a href="http://www.citizensinformation.ie">www.citizensinformation.ie</a>
	<a href="http://www.selfemployedsupports.ie">www.selfemployedsupports.ie</a>
<b>Department of Jobs, Enterprise and Innovation</b>	<a href="http://www.djei.ie">www.djei.ie</a>
<b>Department of Social Protection</b>	<a href="http://www.welfare.ie">www.welfare.ie</a>
<b>Health and Safety Authority</b>	<a href="http://www.hsa.ie">www.hsa.ie</a>
<b>Industrial Development Authority</b>	<a href="http://www.idaireland.ie">www.idaireland.ie</a>
<b>First-Step</b>	<a href="http://www.first-step.ie">www.first-step.ie</a>
<b>Irish Business and Employers Confederation</b>	<a href="http://www.ibec.ie">www.ibec.ie</a>
<b>Irish Financial Services Regulatory Authority</b>	<a href="http://www.ifsra.ie">www.ifsra.ie</a>
<b>Irish Small and Medium Enterprises</b>	<a href="http://www.isme.ie">www.isme.ie</a>
<b>Money Advice and Budgeting Service</b>	<a href="http://www.mabs.ie">www.mabs.ie</a>
<b>National Standards Authority of Ireland</b>	<a href="http://www.nsai.ie">www.nsai.ie</a>
<b>Irish Revenue Commissioners</b>	<a href="http://www.revenue.ie">www.revenue.ie</a>
<b>Údaras na Gaeltachta</b>	<a href="http://www.udas.ie">www.udas.ie</a>
<b>National Employment Rights Authority</b>	<a href="http://www.employmentrights.ie">www.employmentrights.ie</a>

## Useful Publications ✓

### Employer Incentives to Recruit Unemployed People

Information on:

- Revenue Job Assist
- PRSI Incentive Scheme
- National Internship Scheme (JobBridge)

Available from: [www.inou.ie](http://www.inou.ie)



 **Irish National Organisation of the Unemployed**

### Information Service

 **01 856 0088**  [welfareinfo@inou.ie](mailto:welfareinfo@inou.ie)

websites: [www.inou.ie](http://www.inou.ie) [www.redundancy.ie](http://www.redundancy.ie)

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