

Press release: Self-employed on Universal Credit to get business support

This is part of the government's commitment to small businesses. Initial mentoring can last for up to 12 weeks and includes workshops on topics including financial planning and marketing support, as well as help in creating a business development and growth plan. If the plan is viable, people can receive a further year of support and mentoring.

This programme of support for people who are already self-employed builds on the success of the New Enterprise Allowance (NEA) programme. The NEA offers mentoring, a weekly allowance for 6 months and access to a start-up loan to people who are out of work and would like to start their own business. Figures out today show that over 111,000 businesses have already been started with the support of the NEA.

The latest NEA figures show that the north-west had the highest number of start-ups (17,020) followed by London (13,410) and Yorkshire and the Humber (12,150).

Minister for Employment Damian Hinds said:

The NEA has been a huge success in supporting enterprising jobseekers turn their business dreams into a reality, and now we're offering mentoring to help people in receipt of Universal Credit who are already self-employed as they grow their businesses.

Small businesses are the backbone of our economy and we want to do all we can to ensure people succeed.

The figures also show that of the people who have started up a business with NEA support:

- over two thirds were aged between 25 and 49, 24% were over the age of 50 and 7% were aged between 18 and 24
- 40% were women
- 22% have a self-declared disability
- 13% were from a black and minority ethnic (BME) background

111,540 businesses have been set up through the NEA scheme. The financial support is paid as a weekly allowance of £65 a week for 13 weeks and then £33 for the following 13 weeks (a total of £1,274 over 26 weeks)

More information

Mentoring is available to Universal Credit full service claimants whose business income fall below, or looks set to fall below, their Minimum Income Floor.

People who already own their own business are eligible for mentoring, but not for the financial support aspect of the scheme.

Successful applicants to the NEA start-up support get access to a business mentor, and those who start their business can receive financial support for up to 6 months, mentoring support for up to 12 months and may be able to apply for a loan of up to £25,000 to help with start-up costs.

Read more about NEA – www.gov.uk/new-enterprise-allowance

The full regional breakdown

Entries are rounded to the nearest 10.

| Region | Individuals with an NEA business start |
|--------------------------|---|
| North-west | 17,020 |
| London | 13,410 |
| Yorkshire and Humberside | 12,150 |
| West Midlands | 10,650 |
| Scotland | 10,250 |
| South-east | 8,450 |
| South-west | 7,680 |
| East of England | 7,610 |
| North-east | 7,500 |
| Wales | 6,580 |
| East Midlands | 6,400 |

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