



Are you unemployed?



Do you have lots of potential?



Would you like to start your own business?

Preparing for start-up

Supporting Refugee Entrepreneurs
Refugee Start-up Guide



Refugees into Business

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This booklet is for guidance only.

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This booklet is also available in the following languages: Amhari, Arabic, Dari, Farsi, French, Pashto, Kurdish, Portuguese, Somali, Sorani, Swahili, Tigrayan and Turkish.

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The Refugee Enterprise Partnership consists of the British Refugee Council, Refugee Action (RA), Refugee Women's Association, Social Enterprise London, the Prince's Trust, Community Action Network, and Education Action International.

www.refugeesintobusiness.org.uk/tensteps

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Contents

Preparing for start-up

Here are ten steps to help you prepare for starting your business.

1. Having confidence	3
2. Check if you are legally able to start a business	5
3. Prepare your CV	7
4. Find help with your English	9
5. Get some business training	11
6. Volunteer to work for a local business or in the community	12
7. Arrange some childcare	13
8. Organise your finance	15
9. Get professional start-up support	17
10. Other sources of help	19

1. Step 1: Have confidence

Refugees and immigrants have come to the UK for hundreds of years, bringing benefit to the British economy. Some of their businesses and ideas have been so successful they are now part of national every day life.

For instance, did you know...?

- The tradition of 'fish and chips' came from immigrants. Joseph Malin from Eastern Europe opened the first fish and chips shop in London's East End in 1860.
- Monsieur Deloitte, a refugee from the French revolution, arrived in Hull more than 200 years ago and set up an accountancy business. His grandson made it into one of the biggest practices in the country, and today it is the internationally renowned firm of Deloitte and Touche.
- Alec Issigonis, a refugee from Turkey, came to England with his family in 1922. A car designer, he introduced to the world the British cars, the 'Morris Minor' and the 'Mini'.

Marks and Spencer

Michael Marks was born in Slonim, Russia in 1859. As a young man, he immigrated to England. Unable to speak English, he moved to Leeds to work for a company that employed refugees. Eventually he saved enough money to set up a stall in Leeds market and put up a poster next to his stall that said 'Don't Ask the Price, It's a Penny'. Over the next few years, Marks opened similar penny stalls in markets all over Yorkshire and Lancashire.

In 1894, Marks decided he needed a partner to help him expand his business. Tom Spencer had been watching the career of Michael Marks for some time and thought the £300 to buy a half-share in his business to be a good investment. They agreed that Spencer would manage the office and warehouse while Marks continued to run the stalls. Together they opened stores in Manchester, Birmingham, Liverpool, Middlesbrough, Sheffield, Bristol, Hull, Sunderland and Cardiff. *Continued...*

By 1897, Marks & Spencer's business empire had thirty-six branches. In 1903 Marks & Spencer became a limited company and Tom Spencer retired that year a rich man. Michael Marks continued to develop the business and died on 31st December, 1907, having established a national retail icon.

It does not matter if your business is big or small, from a market stall to an accountancy firm, it can be a success. You have every right to try, because if it works, it will not only benefit you, but also the wider community. At the same time it is good to have concerns and be aware of the problems you might have when setting up your business. You need to think carefully about your ideas and skills before you begin as not everyone is suited to self employment. This guide will help you with this and identify sources of support;

- from organisations which specialise helping to start up businesses,
- to friends, family or members of your community, who you can ask for advice

You will need to use ALL types of support to help make your business a success.

Do's	Don'ts
DO make a list as you read this guide of all the people and organisations that could help you with different aspects of your business.	DON'T feel you are on your own. The success of your business is up to you, but there is a lot of support around to help you.

Step 2: Check if you are legally able to start a business

The law says you are able to set up your own business if you have:

→ Permission to work AND Leave to Remain/Enter the UK. Leave to remain is granted in different ways:

1. If you have been given refugee status

i. Before August 2005, if you got refugee status you will have a grant of Indefinite Leave to Remain (ILR) and are able to stay in the UK permanently.

ii. If you got refugee status after August 2005 your leave to remain is temporary - 5 years. Cases will be reviewed after 5 years, and if there are still problems in your home country you may get an extension or Indefinite Leave to Remain (ILR), otherwise you might be removed and sent back.

2. Temporary Leave to Enter/Remain either

i. Humanitarian Protection (Before August 2005, this is granted for up to 3 years. From August 2005, this may be granted for up to 5 years. Your case will be reviewed at the end of it. If there is still a problem in your country you may get an extension of protection or ILR. If there is no problem you could be sent back) Or:

ii. Discretionary Leave to Remain (Granted for 3 years or less. From Aug 2005 cases will be reviewed after 3 years and you may or may not get an extension. If it is decided you no longer need protection you could be sent back. You could be able to get ILR if allowed to stay in the UK for 6 years)

Remember: Official grants of temporary or permanent leave to remain mean (usually) you are allowed to work and claim mainstream benefits.

How do you find out if you have permission to work and Leave to Enter/Remain? Check your:

- Immigration document or
- Official letter from the Home Office granting you Leave to Enter/Remain.

These papers will tell you if you are allowed to work and how long your Leave to Enter/Remain is. If this is about to end we advise you to sort this out BEFORE starting your business. You can:

- Contact one of the organisations below for help. They will tell you what you need to do.
- Write a letter to the Home Office.
- Ring the Home Office to find out how long it will take to find out about your application.

As soon as you get official notice that you have Leave to Remain, you can start thinking about setting up your business.

Do's	Don'ts
<p>DO try and ensure you have Leave to Enter/Remain for at least 3 years before you start. This will help you get a loan, and to get your business started before you have to deal with immigration issues again.</p>	<p>DON'T try starting a business at the same time as your Leave to Enter/Remain is due to end. You probably will not get start-up support at this stage and it will be more difficult to get a loan.</p>

Where to find out more

If you have any questions about your immigration status you can go to:

- Refugee Council www.refugeecouncil.org.uk
- Immigration Advisory Service www.iasuk.org.uk
- Refugee Legal Centre www.refugee-legal-centre.org.uk
- Immigration Nationality Department
www.ind.homeoffice.gov.uk
- Citizens Advice Bureaux
www.adviceguide.org.uk/index/your_rights/immigration
- Employability Forum www.employabilityforum.co.uk

Step 3: Prepare your CV

A CV (Curriculum Vitae) is the record of your employment and education. In the UK everyone prepares this document when looking for employment or start-up support. Below are some tips to help you write your CV.

You may have gaps in your schooling or employment. This will not necessarily matter if you can show in your CV you have skills which are necessary for starting a business, such as budgeting, marketing, managing people, leadership etc.

You can find help from:

- Friends or family who have written their own CV's.
- Careers advice organisations but you may have to pay.
- Local voluntary or refugee agencies may offer free advice.

Education history

Write down education (school, university, college) and/or training, include any qualifications, in chronological (date) order.

Sometimes you are asked for certificates to prove your qualifications:

- **If you have your certificates** and want your qualifications from home to be recognised in the UK, the National Recognition Information Centre for the United Kingdom (UK NARIC), offer this service. You must provide your certificates and you may have to pay.
- **If you do not have your qualification certificates**, write down your education history and advice from your start-up support (step 9) organisation should your certificates be asked for.

NB: Whilst education history is useful, do not worry if you have few qualifications, it is your business skills that will interest start up support agencies.

Employment history

List any jobs you have had in date order and describe each one. This is your employment history. If you have had experience setting up a business, make sure you emphasise this.

- In the UK, usually you are required to provide two references. A reference is a short letter written by a past employer confirming what you did and how good you were.
- This can be difficult if your past employers are in another country or difficult to contact. One way to get experience and maybe a reference is to volunteer for a local business (see below and step 6).
- If there are gaps in your employment history, ask for advice (step 9) when you seek support from a start-up organisation.

Voluntary work

Information about any unpaid work you have done is also useful. For example, working on a local community project or in a business, can help show your personal skills.

Do's	Don'ts
DO write down everything you have achieved. Think about working unpaid for someone you know. You might be able to ask them for a reference.	DON'T worry if you cannot get any evidence to prove your education or employment history. This is a common problem for many refugees.

Where to find out more

If you have any questions about your immigration status you can go to:

- Local Jobcentre Plus, offer some advice on self employment and could help signpost you to CV help
www.jobcentreplus.gov.uk
- Internet offers many websites who offer free CV advice such as the BBC
www.bbc.co.uk/radio1/onelife/work/index.shtml?cvs/ or
www.workthing.com or <http://jobsadvice.guardian.co.uk/>
- Universities also often have advice on their websites on writing CV's

Step 4: Find help with your English

You need to be able to communicate well in both everyday and business language. It is essential for example for:

- Writing a business plan
- Negotiating with your lender or registering for Value Added Tax (VAT)

It is important that you can understand what is happening in all parts of your business.

Where to find help

English lessons are often called English for Speakers of Other Languages (ESOL). Until August 2007 ESOL is free for refugees and asylum seekers. After August 2007:

- If you have **leave to remain** (i.e. refugee status, humanitarian protection or discretionary leave) are unemployed and on benefits you will be entitled to FREE ESOL support.
- But **all asylum seekers over the age of 19** will have to PAY for English lessons. There may be local organisations that run free or cheaper courses.

The local library, refugee agency, Job Centre or Learndirect will give you information about organisations which provide ESOL in your area. These could include:

- Further Education colleges
- Adult Education colleges
- Universities
- Voluntary and community organisations
- Learndirect online centres
- Private training organisations

Business English

Many Further Education colleges offer Business English classes, but you will probably have to pay. Your local enterprise agency, local council or authority should be able to tell you where these classes are.

(There may be other local organisations e.g. The Refugee Council and Refugee Education and Training Advisory Service (RETAS) that run courses on Business English for refugees. Check what is available in your area.)

- Ask for help from anyone in your own community with better business English than you.
- Translation and interpreting services (local council or community organisation) can translate/help with documents. You may have to pay for this service.

Do's	Don'ts
<p>DO enrol on a course if you can. If you can't use as many informal ways as possible to improve your English. A good level of English will help you to be independent and improve the chances of success of your business.</p>	<p>DON'T only expect other people to help you, whilst their support is very useful, you need to be able to assess what is going on in all parts of your business.</p>

Where to find out more

- Learndirect www.learndirect.co.uk
- Your local Further Education college
- Local Jobcentre Plus can tell you where ESOL support is available
www.jobcentreplus.gov.uk
- Refugee Advice and Guidance Unit offers advice and training for refugees www.londonmet.ac.uk/ragu/home.cfm
- RETAS offers enterprise training www.education-action.org
- Refugee Council offers Business English www.refugee-council.org.uk
- Local library
- Citizens Advice Bureau www.citizensadvice.org.uk
- Local authority/council (Education Department)

Step 5: Get some business training

There are various training courses in the UK to help you start your business. These training courses will:

- introduce you to self-employment in the UK
- help you identify your skills
- explain the start-up process
- outline how you can prepare starting-up
- help you to write a business plan
- inform on tax, VAT and National Insurance Numbers
- provide the opportunity to meet and network with others who are also starting up their own business

You may have to pay. But they might be a good investment if there are any skills you feel you should improve before you start your business. Several organisations offer business training for refugees. Local Refugee agencies or organisations might know of something specific near to where you live.

Where to find out more

- Start-up agencies which provide business training are listed in The Prince's Trust Start Up Guide 12 Sources of Help
- RETAS runs business start-up courses and offers support for unemployed refugees and asylum seekers who are interested in (a) setting up their own business or (b) going into partnership with a co-operative (mostly in London)
www.education-action.org
- Refugee Council offers training on 'Promoting Refugees into UK Labour Market Employment' www.refugeecouncil.org.uk
- Community Action Network offers business training for refugees in London www.can-online.org
- Business Link is a public organisation that gives business advice to small and medium sized businesses. It operates through local networks. Find your local network
www.businesslink.gov.uk
- United Nations Refugee Agency (UNHCR) project 'Refugees Online' lists organisations that also might be of use
www.refugeesonline.org.uk

Step 6: Volunteer to work for a local business or in the community

Volunteering is working for free. Think about volunteering for a business or community project in your area. This could help you:

- Gain work experience in the type of business you would like to start-up
- Improve a particular skill
- Practise your English
- Improve your CV by showing you have work experience in the UK
- Get a reference. Colleagues may be happy to write one for you.

You can volunteer if you are an asylum seeker and still waiting to hear if you have Leave to Remain.

Finding volunteering opportunities

- Ask someone you know who runs a business if you could work as a volunteer for them.
- Think about your business idea and contact a similar business in your area.
- Find out if there are any community projects that you could volunteer for.

Where to find out more

- National Centre for Volunteering www.volunteering.org.uk
- Reach www.volwork.org.uk
- Refugee Action www.refugee-action.org.uk
- Refugee Council www.refugeecouncil.org.uk
- RETAS www.education-action.org
- Timebank www.timebank.org
- Volunteer Development England www.vde.org.uk
- The Prince's Trust www.princestrust.org.uk

Step 7: Arrange childcare

If looking after your children on your own and thinking about starting a business you will want to organise childcare that you can be confident and happy with.

Some ideas include:

- Friends or family who are able to look after your children
- Local childcare providers: If you are worried about leaving your child with people you do not know, you can use a registered childminder. Registered childminders
 - have a qualification
 - provide a safe environment for your children because they are legally responsible
 - are usually happy if you want to spend some time with them in order to get to know them and see how your child is looked after.
- The Government will provide some support for instance you may receive help to pay for childcare through the Government's Working Tax Credit scheme. (See below for contact details.)
- You can also ask for advice from specialist agencies like One Parent Families who run the Lone Parent Helpline telephone - 0800 0185 026.
- When you seek start-up support (step 9), ask for more information about this.

Where to find out more

- Working Tax Credit Helpline (England Wales Scotland) 0845 300 3900/ (Northern Ireland 0845 603 2000)
- Sure Start is the government programme to give every child a good start. It has useful information about the childcare system in the UK and information on how to get help with costs www.surestart.gov.uk or www.childcarelink.gov.uk
- One Parent Families, specialises in support for lone parents, www.helpdesk.oneparentfamilies.org.uk (England and Wales) www.opfs.org.uk (Scotland)
- Gingerbread runs a network for one parent families www.gingerbread.org.uk
- Daycare Trust is the national childcare charity. Their website will help you find out more about childcare www.daycaretrust.org.uk
- National Day Nurseries Association (NDNA) is a national charity which aims to enhance the development and education of children in their early years www.ndna.org.uk
- The National Childminding Association (NCMA) is a national charity and membership organisation for registered childminders in England and Wales. www.ncma.org.uk
- The Pre-school Learning Alliance is an educational charity specialising in the early years. www.pre-school.org.uk

Step 8: Organise your finance

Bank Accounts

If you want to open a bank account, you need to prove your identity. The bank will want to see your passport, driving licence or a utility bill (e.g. electricity or gas bill).

If you do not have these documents ask if the bank accepts other forms of identity such as official notice of Leave to Remain or other Home Office documents.

It may be easier for you to open a **basic** bank account rather than a **current** account. With both a **current** and **basic** bank accounts you can:

- Have a cash card to use with cash machines
- Pay money in and pay bills.
- BUT you can only have an agreed 'overdraft' with a current account:

An overdraft allows you to spend more money from your account than you have in it. (The bank lends it to you). The bank will usually charge you interest if this happens, and sometimes other fees as well (Financial Services Authority (FSA), 2006).

With a **basic** account, banks may not allow you to overdraw by more than £10. The bank will want to check your credit history and use this information to decide whether or not to give you a **current** bank account or a loan. They will check

- the different types of accounts you have had and
- any debts you might have.

Banks may not be able to check your credit history because you come from a different country. Therefore, opening a **current** bank account may be difficult. If the bank rejects your application, ask for a **basic** bank account.

If you have any problems with opening an account, contact local refugee agencies, or the Citizens Advice Bureau who have done a lot of work on this. More sources of help are over the page.

Islamic faith and finance

If you are a Muslim, you might have to consider 'riba' before setting up your business. Riba is the paying or receiving of interest. This is not allowed under Shariah Law, as it is a risk known as gharar.

How can you solve this?

- Seek advice from friends, family or members of your community, who have set up their own business
- Some banks and organisations may be able to help you as they have become Shariah compliant

Examples of Shariah compliant organisations/banks

The Islamic Bank of Britain is Shariah compliant.

HSBC launched its Amanah division in 2003 to give Muslims access to products such as home finance and personal accounts. It is now looking at how it can support Islamic entrepreneurs.

The Prince's Trust has asked a leading Shariah scholar for advice for young Muslims about repayment of Trust loans. It was ruled that the amount the Trust charges should be seen as an "administration charge and does not constitute usury".

Where to find out more

- FSA (Financial Services Authority) website offers advice on basic bank accounts www.fsa.gov.uk
- Citizens Advice Bureau www.citizensadvice.org.uk
- Islamic Bank of Britain www.islamic-bank.com
- For more information about HSBC Amanah go to www.hsbcamanah.com
- Guide 2 – Starting a business provides useful information on how and where to get a start-up loan. www.refugeesintobusiness.org.uk/guide
- Start up Guide 12 – Sources of help includes a list of financial help www.refugeesintobusiness.org.uk/guide

Step 9: Get professional start-up support

There are many organisations in the UK who can help you when setting up your own business, often offering advisers and mentors who give one-to-one support. Professional advice is a source of neutral support that can help you decide if running a business is for you and how to do it.

Start-up support organisations

There are government, private and charitable start-up support organisations who give:

- advice and guidance on how to start a business
- enterprise training courses
- help with writing the business plan
- information about networking events

Some services are free, others you will have to pay for. Check what is available in your area.

Business adviser

A business adviser offers advice on, for example, writing a business plan, legal issues or managing your finances. Most advisers have had professional training and have substantial business experience. They can help solve particular problems and advise on difficult situations. Advisers can be used on a one-off or longer term basis. You may have to pay to use this service.

You will find a downloadable guide on 'Choose and manage a business adviser' on the Business Link website (see below).

Difference between a business mentor and adviser

A business adviser is a professional who offers specialist advice. A business mentor is often a volunteer who provides general business guidance and discusses ideas and problems.

Business mentor

A business mentor gives regular business and personal guidance to someone starting-up in business. The objective of mentoring is to help you to set up a sustainable and successful business. Business mentors usually have a strong business background.

The business mentor offers confidential support for an agreed period of time, usually from six months to two years.

- Some organisations will offer start-up packages which include business mentoring. Find out the details of these packages.
- Most business mentors provide their services on a voluntary (free) basis, but you need to check beforehand.

Where to find out more

Start-up support

- Guide 12 Sources of Help provides a list of start-up support organizations www.refugeesintobusiness.org.uk/guide

Services to a selected target group

- The Prince's Trust helps young people between 18 – 30 years of age who are unemployed to set up a business www.princes-trust.org.uk
- Shell LiveWire encourages young people between 16 – 30 year of age to start and develop their own business www.shell-livewire.org
- The Prime Initiative is a national organisation dedicated to helping people aged over 50 to set up in business www.primeinitiative.org.uk

Services to all

- Local Business Links www.businesslink.gov.uk.
- Local Enterprise Agencies (LEAs) www.nfea.com
- The local Chamber of Commerce www.britishchambers.org.uk
- Business Volunteer Mentoring (BVM) Programme www.bvm.org.uk

Step 10: Other sources of help

Your family, friends and community are a good source of help. They know your strengths and weaknesses better than anyone else. Their support, combined with professional advice from start-up organisations, will help you finally decide if you are up to running your own business.

Maria and Luisa, refugees from Angola

Maria and Luisa are friends. Both are from Angola and now live in the same area of Manchester. Maria would like to set up a café and they are discussing what she should do...

Luisa: This is a great idea Maria! Your food always tastes fantastic! And you are so good with people. This area could really do with a café. It would be nice to have a place where some of our friends could gather, especially the young mums.

Maria: Where do you think I could find the money to start it?

Luisa: My cousin James has started his own business. He might be able to help.

Maria: That is a really good idea. I will ask him right away.

Luisa: I have another idea Maria: Two weeks ago I was invited for dinner by Susan, a friend of mine. We went to this great Afro-Caribbean restaurant in Old Trafford. It is owned by Susan's aunt and uncle. Why don't you ask them whether you could volunteer for a couple of weeks to find out whether running a café is for you? I can put you in touch with Susan.

Maria: Great idea! They might allow me to cook some Angolan dishes to see whether people like it or not. Thanks a lot for your help, Luisa. It was so good talking to you.

Talking to friends, family and members of your community may help you to:

- **Know your strengths:** Luisa knows Maria very well. Luisa's reaction helps Maria to identify whether she has the necessary skills.
- **Discover a volunteering opportunity:** Working in a restaurant will give Maria an idea of what is involved in running your own café.
- **Test your idea:** By talking the business idea over with Luisa, Maria gets a first idea of whether a café is needed in the area.
- **Find out about start-up support:** Maria can ask James how he started his business and how he got his loan. This is a useful way for her to find out about start-up support.
- **Identify a mentor:** Maria could ask James, or Susan's Aunt and Uncle if one of them would be happy to provide mentoring support, because they have set up their own businesses.

Do's	Don'ts
DO write down all the support you can get from friends, family and community. Also contact start-up support organisations and ask for a business adviser.	DON'T only rely on friends, family and community. They may not have all the right information and therefore cannot be responsible if things go wrong. Professional advice and neutral support can be very useful in difficult situations.

This information has been written by The Prince's Trust for the Refugee Council and is just a starting point. Independent legal and financial advice should be taken. No legal responsibility is attached to the publisher. The Prince's Trust and the Refugee Council accept no liability for the accuracy of the information stated.



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