

Going Solo

Freelancing



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What is Self Employment?

Running a business

You're probably self-employed if you:

- run your business for yourself and take responsibility for its success or failure
- have several customers at the same time
- can decide how, where and when you do your work
- can hire other people at your own expense to help you or to do the work for you
- provide the main items of equipment to do your work
- are responsible for finishing any unsatisfactory work in your own time
- charge an agreed fixed price for your work
- sell goods or services to make a profit

Definition

A form of self-employment, freelancers lend their skills and talents to a number of clients on a flexible basis. They aren't employed by a company or committed to a single customer - freelancers have the freedom to choose the projects they'd like to work on and the clients they'd like to work for. They usually work from home, although some rent studio or office space.

Freelance Types

Sole Trader	Limited Companies	Business Partnership
<p>You run your own business as an individual</p> <ul style="list-style-type: none">• you earned more than £1,000 from self-employment between 6 April 2021 and 5 April 2022• you need to prove you're self-employed, for example to claim Tax-Free Childcare• you want to make voluntary Class 2 National Insurance payments to help you <u>qualify for benefits</u>	<p>Limited by shares companies are usually businesses that make a profit.</p> <p>This means the company:</p> <ul style="list-style-type: none">• is legally separate from the people who run it• you're both an owner and employee of your company.• has separate finances from your personal ones• has shares and shareholders can keep any profits it makes after paying tax	<p>In a partnership, you and your partner (or partners) personally share responsibility for your business.</p> <p>This includes:</p> <ul style="list-style-type: none">• any losses your business makes• bills for things you buy for your business, like stock or equipment• Partners share the business's profits, and each partner pays tax on their share.

Benefits of self-employment

- **Creative freedom** - By going self-employed you'll be in charge of the decision-making. You'll have the freedom to explore a number of creative solutions to problems that arise and have the satisfaction of seeing your ideas through to completion.
- **Independence** - As well as creative freedom, you'll also be able to set your own hours and fit your work around other commitments, which often leads to an improved quality of life.
- **Job satisfaction** - Reaping the rewards of your hard work can be very satisfying, while you also have the autonomy to do the things you love most.
- **Location** - Working from home, if applicable, means that you don't have to worry about office politics, company hierarchies or an expensive and stressful daily commute.
- **Salary** - Your earning potential is much higher when self-employed - everything is in your hands, meaning you can take on more work at various times of the day. Financially, the sky's the limit.
- **Variety** - As you're in control of your workload, you'll have the opportunity to work on a range of projects with a number of clients and develop new skills. You'll also gain experience in the different areas of setting up a business, including overseeing the finances and administrative work.

Disadvantages of self-employment

- **Lack of employee benefits** - You won't get sick pay, holiday pay or any other employee benefit.
- **Long hours** - Your working day may be much longer and more irregular than someone who isn't self-employed. Business commitments may mean that you spend less time with your friends and family, or struggle to switch off from work life.
- **Responsibility** - You're in charge of your pension, National Insurance and completing your self-assessment tax return - what's more, you'll pay tax even if your business makes a loss. The fact that success or failure is down to you can increase your stress levels.
- **Social isolation** - You'll miss out on the workplace environment, at least while you're establishing yourself as a business owner. Not only can this be lonely, but it's likely you'll also have to work harder to stay motivated.
- **Starting from nothing** - Establishing your business and building a client base can be a long, tiring and at times frustrating process. You'll need determination to succeed and perseverance, even if progress is slow.
- **Unpredictable finances** - Your income can be irregular, especially in the early days. You could go several months without earning a profit, and you'll always have to pay running costs such as rent, insurance and internet access.

Question?

What are some freelance jobs or opportunities that you have noticed in your subject area?

Which platform can they be found on?

Question?

- Do you have any ideas for your own business opportunity?
- How would you go about it?
- Where could you go to for advice on how to start your own business?

Some Freelance Websites

Hyre Hub

Upwork

Freelancer

People Per Hour

99designs

Flexjobs

Fivver

Behance

- Social Media

Is self-employment is right for you?

Going freelance means starting a business, so you'll have to get to grips with your finances, general admin and paying taxes

You must register with Her Majesty's Revenue and Customs (HMRC). 'As a sole trader you'll have to pay income tax and National Insurance contributions.

If you're a limited company you must inform HMRC, because there will also be corporation taxes to pay. You'll need to sort insurance too. This will cover you if something goes wrong. Set up a meeting with a specialist adviser and talk through public liability insurance, professional indemnity insurance, contents insurance and business interruption insurance for times when you cannot work.

Other sources of Work

How to search for freelance jobs

Keyword search: freelance, contract, self-employed, side hustle, gig worker

Platform: Web search, Social Media, LinkedIn, Word of Mouth

The most in demand skills from freelancers are held by Graphic Designers followed by Web Designers, Web Developers and Freelance Writers. Freelance photographers, copywriters and designers followed closely behind, receiving over a thousand monthly searches each. As more people look to get side hustles and online businesses like ecommerce stores started, designers and freelance web developers are likely to be in demand for the long haul.

Where to get help

- www.gov.uk/working-for-yourself
- Jobcentre Plus work coach
- enquiries@businesssupporthelpline.org
Telephone: 0800 998 1098
- www.youtube.com/c/BusinessSupportGov/videos
- <https://wfconnected.org/elevate/>
- www.walthamforest.gov.uk/businesses/business-support/business-and-ip-centre-bipc-local