



Department  
for Work &  
Pensions



# Starting your own business

A guide for  
disabled entrepreneurs



# Foreword

“As someone who ran my own small business, I know that being a business owner is one of the most exciting, fulfilling and rewarding things you can do. As well as the earning potential, there is a sense of flexibility, independence and pride associated with running your own business. That said, being your own boss can also be one of the hardest things you will ever do, whether or not you have a disability.



“This guide is aimed at disabled people, like you, who want to start a business. A joint publication by the Department for Work and Pensions (DWP) and Kaleidoscope Investments, it is designed to help you understand your motivations, explore your business idea and determine the best way forward for you.

“It will also offer you insights into help, support and advice that is available to you from the Government and other organisations. Since many disabled entrepreneurs will be looking to raise investment, attracting and securing appropriate funding is a major focus of this guide.

“I hope that you find it useful and wish you all the best in your future plans.”

*Justin*

**Justin Tomlinson**

Minister for Disabled People

# Why do you want to start a business?

The most important question to consider is why you want to start your own business and where your inspiration and motivation is coming from. For instance, are you:

- Seeking a career change?
- Happy in your existing career, but passionate about a gap in the market that you have identified?
- Wishing to launch a business on a part-time basis?
- Wanting to increase your earnings in the long-run?
- Looking to turn a hobby into a profitable business?
- Inspired to create a business, or even a charity, to help other disabled people?
- Needing a job but facing specific challenges because of your disability and would rather start your own business?

As a disabled entrepreneur, you may require additional support or assistance. See page 15 for further information.

## Case study: Brad Francis

Brad Francis held several senior publishing and media sales roles within the print and digital media sectors. At the age of 29 Brad had a stroke which left him disabled, unable to talk and he became blind for six months.



He then decided to set up his own business. With the support of his Jobcentre Plus adviser he took advantage of the government's New Enterprise Allowance scheme and set up his own media consultancy, BFM Communications Ltd. He was also awarded funding through the Access to Work scheme to help provide specialist equipment.

**Brad said: "Disabled people can be just as capable as anyone else. And not just in business - the 2012 Paralympic successes captured the imagination of the nation and offered a more positive view of people with disabilities."**

Brad's experience, drive and determination helped make his company successful. His advice to other disabled people wanting to set up their own business is: "Formulate a strong business model; choose what you want to do and focus on creating an excellent business plan. Network tirelessly and focus on the end-game."

Brad also advised that when starting a business disabled people should: "Seek the advice of business launch experts and establish a strong business plan. Be strategic in the same way you live with your disability."

Brad is also currently undertaking voluntary ambassadorial work for The Stroke Association and the respite charity Vitalise while also being an active member of the Disability Entrepreneurs Network.

[www.bradfrancismedia.com](http://www.bradfrancismedia.com)

# Do you think like an entrepreneur?

## **Are you a 'dreamer' or a 'doer'?**

Generating ideas is one thing but executing that idea and making it happen requires a very different skillset.

## **Are you conventional in your thought process or do you think 'outside of the box'?**

It is definitely helpful to think creatively, as you will often be called upon to think of innovative solutions to difficult problems.

## **Are you patient and understanding or impulsive and unwilling to listen to other opinions?**

It will be important to listen to the right people as you grow your business as being set in your ways could hold you back.

## **What is your attitude to taking risk?**

The fact that you are considering a business means that you are likely to be a risk taker. You will be sacrificing a regular income, but are you genuinely ready to make this sacrifice? More importantly, are those around you supportive of what you are doing?

## **Are you the sort of person who would ask for help if needed?**

Would you be prepared to ask your friends or family for support or even financial help?

## **How do you react when you are put under pressure?**

Do you panic or do you face up to the challenge? Would you be prepared to cold call to make a sale or pitch your business idea to strangers?

## **Do you accept 'no' for an answer or will you always 'find a way'?**

It is very important that you are not defeatist and do not give up easily. At the same time, you need to balance this with being sensible and not over-emotional about your business.

## **How resilient are you?**

Strength of character and resilience are critically important skills for an entrepreneur.

## **Are you passionate, enthusiastic and determined?**

These are core qualities that will be needed along your business journey.

## Case study: Amandeep Nahal

Amandeep Nahal was just 17 when she was diagnosed with Multiple Sclerosis. It didn't stop her from going to university to study for a degree in HR Management.

While she was there, her condition became more aggressive and began to affect her mobility and she had to use crutches to get around.

Amandeep said: "I like to make an effort with my appearance so I'd spend all this time trying to look my best, then I'd have to use my drab grey crutches". She began to wonder if she could decorate her crutches to make them look more attractive and so her business idea was born.



"I wanted to use my crutches as a fashion accessory, like a handbag and I thought that others may feel the same," Amandeep said. Sure enough her research showed that they did and there was nothing like this on the market.

Her idea grew from there and Amandeep has now secured funding and mentor support from Kaleidoscope Investments to develop and grow her business, called StrideinStyle. She has also struck up a partnership with a local university, and the students there are helping her come up with innovative and exciting designs.

Amandeep said: "I'm looking at different designs for men, women and children and the possibilities are endless. I could never have seen myself doing this but, with the help of my friends and family, everything has come together and it's a good place to be."

# How to transform your idea into a business

## **Be clear on what you are selling**

- Is your idea a product or a service?
- What problem or issue are you proposing to solve?

## **Know your market**

- Is there a demand for your product or service?
- What is your target market, or what is the profile of the customer who is going to buy your product?
- What is the approximate size of your market in the UK and/or overseas? What share of the market are you targeting?

## **Plan your sales strategy**

- How are you going to reach this market to make them aware that you exist? This could include online and social media as well as PR and publicity.
- How will you sell and distribute your service and/or product and how much will this cost?
- What price will you sell at and what is your profit margin once you have paid your costs?
- What is the customer journey you are creating and how often do you want them to come back?
- Have you thought about holding a focus group with some of your potential customers to gain their feedback on your business or product?

## **Plan your marketing strategy**

- Who or what is the competition and how successful have they been? It is very important to research the market and understand your competition in great detail.
- How different are you from the competition and what are your Unique Selling Points (USPs)?
- Do you have a name for your business and what is your brand? Do you have a logo? How do you want your company to be perceived and what are your values?
- Do you have a Minimum Viable Product (MVP) or a prototype that you can demonstrate? It is important to listen to the advice and guidance that is given to you by your focus group.
- Are you able to demonstrate any potential orders or potential transactions or interest in your product or service from customers and/or users?

### **Understand the law**

- Are there any regulatory reasons why your product may not be permitted or you may not be able to enter the market?
- Are there any accreditations or quality assurance requirements that you need to adhere to?

### **Think logistics**

- If you have a product, where will it be produced, and if it is a service who is going to deliver it?
- Do you have the right manufacturers and/or logistics companies involved?
- What are the minimum quantities that will need to be produced and what will the differing prices be? Your supply chain strategy and relationship with your suppliers will be absolutely critical. You will need to put in place agreements with all your suppliers and agree terms of credit.
- If your business is providing a service, do you have the right team of people involved and are they well incentivised to remain with the business? Will you need to 'lock' these people into your company with stock options and shares?

### **Have the right people around you**

- Who are your business partners and have you created the right management team? It is critical to ensure that this relationship is defined in a Shareholder Agreement.
- Have you considered getting a business mentor or a business expert? Someone that has a clear and solid understanding of your market, has a track record of success and ideally grown and sold their own business.
- What is your long-term plan for the business? When might you want to exit, i.e. sell the business?



## Case study: Paul Hill

Paul Hill lost his eyesight due to Myopic Macular Degeneration and had also just being made redundant. He did regain some of his sight though and decided to get back into filming, which he always enjoyed, and then set up his own video production company.

Paul signed up to the Government's New Enterprise Allowance (NEA) scheme and said: "The NEA gave me a business mentor to help with my business plan who was always on hand to answer questions and talk things through."



Paul's company, Manshed, has gone from strength to strength, producing "commercial films with high production values and a creative cinematic look," according to Paul. He then made contact with Canon, a client from his previous job. "I felt at the time like I didn't really know what I was doing," Paul joked, "but they loved it and shared it across their social media networks." Now his clients range from large organisations such as Travis Perkins, Wienerberger and John Smedley's to filming the Bloodhound Supersonic Car. He even films at London Fashion Week.

Paul said: "I believe if you want to succeed in anything, regardless of disability, you will find a way. Use the determination you have to deal with everyday aspects of living with a disability to your advantage in developing your career path. If you have an entrepreneurial spirit, it's inevitable that that determination will help you to succeed in business."

[www.Manshed.tv](http://www.Manshed.tv)

# Important documents

To help get you on track it is important to document everything and follow a plan. As a minimum we suggest you produce the following documents for your business.

- A) **Executive Summary.** This will give a high level overview of your business idea in a simple and structured manner. The idea of a good executive summary is to entice the reader to then ask to see the business plan.
- B) **Business Plan.** This will go into much more detail and explain how the idea will be transformed into a business. It should include information about your target customers, your marketing strategy and your distribution strategy. It must also go into detail about research into the market and demonstrate a good understanding of your competition and, importantly, how you are different and what your unique selling points are.
- C) **Financial Projections.** Your projections will demonstrate that your business has a revenue generating potential and, more importantly, it should be able to demonstrate how profitable and ultimately successful your business will be. You should ideally have profit and loss projections that can go up to three years, although sometimes a twelve month forecast will also be accepted depending on the nature of the business. You should always present three business scenarios and will need to make some sensible assumptions that stand up to independent scrutiny:
  - i) A conservative scenario (i.e. the worst case scenario).
  - ii) A realistic scenario.
  - iii) An optimistic scenario.You should have a cash flow forecast as well.
- D) **Pitch deck.** If you need to approach investors, you will need a pitch deck. This is typically a 15 to 20 minute presentation on the business followed by detailed questions. This is designed to 'whet the appetite' of the investor and get them interested in the business.

Templates of these documents and others can be found on the Kaleidoscope Investments website: [www.kaleidoscopeinvestments.com](http://www.kaleidoscopeinvestments.com)

# Raising investment and valuing your business

Raising money is perhaps the most daunting experience for any entrepreneur.

It is very important to really understand the nuts and bolts of your business before speaking to an investor. It is also very important to understand exactly what you want from an investor. The ultimate aim of this process is to raise as much money as the business needs, by giving away the smallest amount of equity, i.e. what you own.

Be clear about how much investment you need and how it will be used. Come up with a sensible valuation for your business and for most start-up businesses, this will be based on your projections, which will need to be realistic.

Creating a minimum viable product or prototype will strengthen your negotiating hand. If you can demonstrate any transactions with real customers (even if for no financial value) or show with some proof that there is potential interest from the market for your product, then this will also be extremely useful. For instance, if you developed a food product and could show that a large supermarket was ready to place an order, then this would help significantly with increasing your valuation.

When it comes to deciding which investors to select, it is important to appreciate whether you want the investor to be 'passive' or 'sleeping' - i.e. they will not be involved in the growth of the business and just provide funding - or whether you would want an 'active' investor. This is where they are actively involved in helping you to grow your business. You may need to part with a small amount of additional equity for the latter.

# How to present your business

Articulating your business idea succinctly is not as easy as it seems.

A good way to do this is by using the “triple 3” rule. This means that you should be able to clearly articulate your idea in:

3 seconds

your elevator pitch, with the aim of being asked for more information.

30 seconds

your high level verbal ‘Executive Summary’.

3 minutes

your summary of the skeleton outline of your ‘Business Plan’.

## Case study: Matt Wadsworth

Matt Wadsworth was diagnosed with blindness within a few months of being born.

As a child it didn't stop him from doing the things he wanted to do, which mainly involved playing guitar and riding motorbikes and it was that determination that eventually led to his career as a professional musician.

Matt had always loved solving problems, and had an entrepreneurial streak. His idea of making restaurant menus accessible came to him a few years ago. "I was sick of having menus read out to me, I decided this was a problem to be solved", Matt said. With the help of his wife, Kate, he set about testing and researching the market.

Together they created an online platform called Good Food Talks, where users can log on and receive menus in a format that suits them - be it large print, spoken word, inverted background colours or dyslexic friendly font.

Several restaurant chains signed up for the service and the number continues to grow with more than 1500 venues on their books.



**Matt said: "Our business helps restaurants become more inclusive and reach a broader customer base with diverse needs."**

Among their clients are Carluccios, Nandos and Café Rouge. They have also created an iPhone app, which is free to the user.

Matt is continuing to think of ways to grow his business and with the support of Kaleidoscope Investments, he plans to try and conquer the American market.

[www.goodfoodtalks.com](http://www.goodfoodtalks.com)

## Top tips

- 1) Expect the unexpected and always be ready to react.
- 2) Understand your brand story and what you stand for as a business and let that ethos flow through your business.
- 3) Build the right team of people around you as they will pick you up when you lose your motivation.
- 4) Be ready to make some difficult choices and sacrifices.
- 5) Know when to let go. Try not to become over emotional and continue to listen to people around you that are your trusted advisers.
- 6) Work with a mentor or business adviser – someone who has valuable experience to offer.
- 7) Stay close to your customer, never take them for granted and evolve with them.
- 8) Understand what your business risks are and monitor them closely.
- 9) Be clear with any staff you have about what is expected of them.
- 10) When things are going well, do not become complacent. This is the time to be extra vigilant.

# What other help is available to you?

## **New Enterprise Allowance (NEA)**

New Enterprise Allowance can provide money and support to help you start your own business if you're getting certain benefits. You must be aged 18 or over, have a business idea and get one of the following benefits:

- Jobseeker's Allowance (or your partner does).
- Employment and Support Allowance (or your partner does).
- Income Support, if you're a lone parent or you're sick.

You may also be eligible if you get Universal Credit.

A specialist will assess your business idea. If it has potential you'll be signed up to the scheme and get a business mentor. Your mentor will support you to develop your business plan and will also support you in the early months of trading. Once you have started to trade, and closed your benefit claim, you will be eligible for the NEA financial support, which is an allowance paid weekly and worth up to £1,274. You are also able to apply for a loan from the Start-Up Loans Company if you require start-up funding.

For more information visit: [www.gov.uk/new-enterprise-allowance](http://www.gov.uk/new-enterprise-allowance)

## **Access to Work**

An Access to Work grant from DWP can pay for practical support if you have a disability or health condition to help you to start a business.

You will be eligible if you're self-employed and your disability or health condition affects your ability to do a job or means you have to pay work-related costs, e.g. special computer equipment.

For further information contact: [atwosu.london@dwp.gsi.gov.uk](mailto:atwosu.london@dwp.gsi.gov.uk)

Telephone: 0345 268 8489

Textphone: 0345 608 8753

Monday to Friday, 8am to 6pm

Or visit: [www.gov.uk/access-to-work/eligibility](http://www.gov.uk/access-to-work/eligibility)

## **Small Business Support**

For government-backed support and finance for business, including:

- grants.
- finance and loans.
- business support e.g. mentoring, consultancy.
- funding for small and medium-sized businesses and start-ups.

Visit: [www.gov.uk/business-finance-support-finder](http://www.gov.uk/business-finance-support-finder)

## Further information

### About Kaleidoscope Investments (Ki)

Ki invests specifically in people with disabilities that have great business ideas. It works closely with each entrepreneur to transform his or her idea into a business. This is achieved by providing the entrepreneur with a business infrastructure and sector relevant mentor(s) who will partner with them throughout their business journey. KI will consider making investments ranging from £1,000 - £250,000 and takes a small equity stake in the business in return. It commits to listening to every entrepreneur who approaches them for investment.

For further information contact: [info@kaleidoscopeinvestments.com](mailto:info@kaleidoscopeinvestments.com)

Telephone: +44 7720 242548 or visit: [www.kaleidoscopeinvestments.com](http://www.kaleidoscopeinvestments.com)

### About the Department for Work and Pensions

The Department for Work and Pensions (DWP) is responsible for welfare, pensions and child maintenance policy. As the UK's biggest public service department it administers the State Pension and a range of working age, disability and ill health benefits to over 22 million claimants and customers.

DWP deals with carers and disability benefits including:

- Carer's Allowance
- Attendance Allowance
- Disability Living Allowance (DLA)
- Personal Independence Payment (PIP)

### Jobcentre Plus

Jobcentre Plus helps people move from benefits into work and helps employers advertise jobs. It also deals with benefits for people who are unemployed or unable to work because of a health condition or disability.

More information can be found at:

[www.gov.uk/government/organisations/department-for-work-pensions](http://www.gov.uk/government/organisations/department-for-work-pensions)