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Be the Boss

Frequently Asked Questions (FAQ)

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What is 'Be the Boss' (BtB)?

'Be the Boss' is a new service from the Royal British Legion with Poppyscotland aimed at supporting recent UK Service Leavers to plan, fund and grow their own small businesses. Funded by the UK Department for Business, Innovation and Skills (BIS), the Legion and its partner organisations will offer training in small business set-up, assistance in writing a business plan and financial forecast, funding to assist in the launch or growth of a business, and periodic health checks and business mentoring to applicants from across the United Kingdom.

How will the BtB scheme work?

BtB has three main components. First, Information, Advice and Guidance (IAG) on starting a business and self-employment. Second, financial support to assist with vocational training, help with start-up costs and growing the business. Finally, mentoring and business health-checks to help ensure success and growth.

When does the BtB scheme begin, and how long will it continue?

Applications to enter the BtB scheme open on 14 June 2010. BIS provided £5m to fund the scheme and the Legion is committed to continuing the programme as long as possible with additional complementary funding from other organisations and subject to successful review and impact assessment.

FUNDING

Who is funding BtB?

BIS is providing the funds for one year to the Legion. However, it is hoped that the service will continue for a number of years and that the Legion will be able to secure additional funding to help the service continue.

What is funding available for?

The BtB grant is for the three support components: information, advice and guidance, grants and loans, and mentoring and business health-checks. Eligible and successful applicants may apply for funding support based upon their type of business, level of engagement in the start-up training, and viability of their business plan and financial forecast.

What will be the average level of funding?

Funding for successful BtB applicants will be based upon their business or growth plan and financial forecast, as well as the type and status of their business (start-up vs. established). Funding will be provided in £500 increments where 25% of the total is a grant, and the remainder is a loan.

- New businesses with low to moderate start-up costs (documented by their business plan) will be initially eligible for 'Access' funding (£4000 and below);
- New businesses with moderate to high start-up costs will be initially eligible for 'Aspire' funding (£7500 and below);
- Existing businesses (trading between 13-24 months) will be eligible for 'Accelerate' funding (up to £30,000).

Experience has shown that funding support in excess of the business' capacity for debt management can create severe credit issues in business start-ups.

What funding options will be available?

Funding will be available for small business start-ups and to assist the growth of existing businesses that have been trading for no more than two years. Funding in either case will be a mix of grant and loan. Once an applicant has completed a full IAG programme and submitted a business plan and financial forecast consistent with the BtB guidelines, they will be able to apply for funding based upon the level of support needed.

Can I get additional BtB funding after my initial grant/loan?

Yes, up to the maximum total amount of £30,000 per eligible individual within the duration of the programme. Additional funding requests will be considered after the repayment of the initial loan and in conjunction with an additional growth plan and financial forecast based upon the initial business plan.

How will grants or loans be administered?

All BtB funding support will be subject to financial and accounting requirements determined by the Legion and consistent with market requirements upon small businesses. Funding support will be granted only after an applicant has complete a full IAG programme through a BtB delivery partner, and submitted their business plan and financial forecast as part of their eventual application for funding. All funding applications will be reviewed by a leading Community Development Financial Institution (CDFI) contracted by the Legion to support this project.

What are the repayment terms of the loan?

Loans will be made at or up to a fixed 9.4 per cent annual interest compounded monthly for up to a four year period based upon the applicant's business plan and enterprise development track/partner. The Legion and its partners will develop a funding and repayment schedule with BtB recipients, as well as provide assistance in financial and debt management, and accounting skills necessary to track costs and expenses. Additional information on loan and repayment terms is available in programme materials.

What kind of funding support will I receive?

Successful applicants will receive mixed funding in a grant and a loan. Total funding values will average between £3,000 and £7,500 and may not exceed a total of £30,000 for each

individual over the length of their involvement in the BtB programme. Financial support will be offered in a ratio of 25% grant and 75% loan – for example, if an applicant requires £4000 start-up support, £1000 will be offered as a grant, and £3000 as a loan.

I just want a grant, not a loan; how do I apply for that?

Be the Boss is a small business loan fund with the ability to make supplemental grants. While there may be eventual 'pure-grant' funding products for specific uses (for example, reimbursing accredited vocational/professional training), the core financial support is a mix of grant and loan to both ensure sustainability of the fund for additional applicants over time, and provide experience to applicants in financial management, cost forecasting and debt management.

Can I get a BtB grant or loan in addition to other funding/investment?

Applicants are encouraged to apply for BtB with other personal or matching funding and investment, and will be directed to other publicly funded support and advice. Evidence of multiple sources of other support may contribute positively to BtB applications when combined with a robust business plan.

How long will it take for me to receive a grant/loan?

The time required depends largely on the applicant's business concept, commitment to the training programme and development of a robust business plan meeting BtB guidelines. Once in receipt of a business plan, funding requests can be reviewed and decided upon within 2-4 weeks. However, experience suggests that an average of 2-4 months in total from initial application to funding is a reasonable expectation depending upon the speed and investment that a participant makes in their business start-up training programme.

Is there anything I can't use the grant or loan for?

BtB grants and loans can only be used for establishing or growing a business in accordance with a business or growth plan confirmed by an accredited business advisor. In general, funds cannot be used for personal expenses unrelated to the business, personal debt, travel, purchase of property or investment in certain, large-scale national industries. Additional details on limits of funding use are available in programme materials.

ELIGIBILITY

Who is eligible for BtB?

Former members of HM Armed Forces (including members of the Reserve Forces) discharged on or after 7 October 2001. This includes former Reservists who were on mobilised service in accordance with the Reserve Forces Act 1996 before 7 October 2001 provided they were also on mobilised service on or after 7 October 2001. Applicants must be legally resident in the UK, register their business in the UK and meet additional eligibility criteria. Residents or businesses outside the UK are not eligible. Existing business seeking funding must have been trading for no more than two years.

Are spouses or dependents of Service leavers eligible?

Only the Service leaver is eligible, however, as long as they own at least an equal share (greater than 25%) of the business, they may receive support and funding from BtB. The

Service leaver must register on CivvyStreet to determine eligibility and is the only person who may participate in the programme.

What other support is available for those not eligible?

The Legion will continue to provide a central point of contact for service-leavers, their families and dependents who may not be eligible for assistance under BtB, including direct grants from the Legion and referral to other agencies and programmes who may be able to provide assistance, advice and funding for enterprise.

Is BtB support means-tested?

BtB support is not means-tested, and is available to eligible personnel who complete the necessary training, develop a business plan and financial forecast that meet BtB guidelines, and submit a successful application. BtB provides assistance in starting a new business or growing an existing one as well as mentoring after receiving funding.

Is there a 'fast-track' option for immediate needs?

BtB is not designed to be an immediate needs fund and cannot provide short-term or emergency support. Applicants may apply for BtB funding support so long as they have gone through an initial Information, Advice and Guidance process through an approved BtB delivery partner and created a business plan and financial forecast meeting the BtB requirements.

ADMINISTRATION OF BTB

How will BtB be administered in the devolved administrations?

The Legion will administer BtB in England, Wales and Northern Ireland. Poppyscotland (the leading Armed Forces charity in Scotland) will administer BtB in Scotland for the Legion. Both organisations will establish appropriate partnerships to carry out the project and co-operate closely to ensure consistent service delivery, monitoring and evaluation.

What other organisations will be used to deliver BtB?

The Legion and Poppyscotland will be working closely with a number of other, complementary organisations to deliver BtB including (illustratively): the Prince's Trust and its regional agencies, Leonard Cheshire Disability, BusinessLink, Business Gateway, InvestNI, Flexible Support for Business (Wales), and resettlement agencies within the Ministry of Defence and Government.

Is the Legion currently seeking support from other organisations?

While we welcome expressions of interest and funded support for BtB and Service Leavers from organisations with empathetic Missions, the Legion is not seeking additional contracted services in any form. Further, we do not have the staff capacity to review and respond to unsolicited proposals, nor can we engage franchise or sub-contracting schemes at the institutional level as part of BtB.

Is the Legion currently seeking support from individuals or mentors?

We are not currently actively seeking individual support, consultants or contractors for BtB, however are keeping a resource file of expressions of interest from people with

complementary skill-sets who might be utilised to add value or as mentors to participants in the programme at a later time. The Legion does intend to build a mentoring network of ex Service Members who are currently self-employed, or provide services (accountancy, web-design, marketing) to small-businesses and are interested in becoming Mentors.

Why do I need to go through training and advice programmes?

Evidence shows that those with the right training and a robust plan are more likely to succeed. BtB will provide help and guidance about what it means to start a business, along with any necessary training and skills, including the development of a business plan. Once all of this is in place, participants will be able to access the full range of BtB services and other help provided by CivvyStreet and its partners.

Who will decide if my business plan is viable?

Business advisors working in partnership with the Legion will review, provide feedback and help with writing business plans to enable access to grant and loan funding. Funding will not be available without a business plan that meets BtB guidelines, growth plan (for established businesses) and financial forecast.

What mentoring assistance do I receive?

Successful BtB funding recipients will receive regular business mentoring and guidance as part of the scheme, delivered individually (where available) and in group settings through Legion partners. The Legion will also endeavour to identify and engage ex-Service personnel in enterprise to supplement mentoring.

CIVVYSTREET

What is CivvyStreet?

CivvyStreet is the Legion's bespoke jobs and employment portal for service-leavers. It is a central point for information, services and other support for eligible clients helping them to return to civilian life and gainful employment. The Legion will use the CivvyStreet portal and process to register and verify BtB eligibility.

Can I apply in any other way?

CivvyStreet has robust security and verification processes designed both to ensure eligibility and match individuals with specific opportunities. All BtB applications will go through CivvyStreet. The Legion will gladly provide any additional assistance to individuals unable to access CivvyStreet and apply for the BtB scheme. Please contact us (see below) for assistance.

How is my information on CivvyStreet used?

CivvyStreet currently has more than 12,000 registered users, who voluntarily provide and manage their data to identify and engage with a variety of Legion and partner agencies aimed at helping service-leavers find employment. Only The Royal British Legion has access to the data (unless applicants choose to supply it to CivvyStreet partners), which is used solely to match clients to appropriate services.

FURTHER INFORMATION

Where can I get more information?

More information on 'Be the Boss' is available on CivvyStreet, www.civvystreet.org and on the Legion website, www.britishlegion.org.uk. Alternatively, call 0800 678 5787 or send an E-mail to: betheboss@civvystreet.org for more information.

This document is provided for informational purposes only and is subject to change, does not constitute an agreement of terms between The Royal British Legion and prospective applicants. For the most current information, visit: www.civvystreet.org and select 'Be the Boss'.