

NEW ENTERPRISE INCENTIVE SCHEME (NEIS)

INFORMATION BOOKLET



Let BRACE provide the tools
to build your business.



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New Enterprise Incentive Scheme (NEIS) Information

About BRACE

Established in Ballarat in 1973, BRACE operates throughout Western Victoria and all of South Australia and has delivered a broad range of education, training and employment programs to many thousands of people.

BRACE is a Provider of the New Enterprise Incentive Scheme (NEIS) for the Commonwealth Government's Department of Education, Employment and Workplace Relations (DEEWR). Since 1985, BRACE has successfully assisted 1000s of people establish new business ventures through NEIS.

As a NEIS Provider, BRACE will:

- Select suitable participants whose business proposal meets all eligibility criteria and demonstrates it has the potential to be viable within 12 months of commencing the business.
- Arrange/conduct courses and/or other flexible training arrangements for persons selected for NEIS training.
- Provide business advice and support while the business is being established.

About NEIS Training

Applicants who are selected for the New Enterprise Incentive Scheme are required to undertake training in the Certificate IV in Small Business Management designed to incorporate the knowledge and skills required for people commencing and operating their own businesses.

NEIS training usually comprises 6-10 weeks of classroom delivery with three days of attendance each week. Flexible learning options will be discussed with successful NEIS applicants who live in more isolated areas or those unable to attend training as scheduled.

The Certificate IV in Small Business Management is made up of the following ten units:

BSBSMB401A	Establish legal and risk management requirements of small business
BSBSMB402A	Plan small business finances
BSBSMB403A	Market the small business
BSBSMB404A	Undertake small business planning
BSBSMB302A	Develop a micro business proposal
BSBADM407B	Administer projects
BSBMKG414A	Undertake marketing activities
BSBREL402A	Build client relationships and business networks
BSBSMB405A	Monitor and manage small business operations
BSBRKG403B	Set up a business or records system for a small office

These units comprise mandatory and elective units and the electives may be varied by BRACE when appropriate.

You must attend all scheduled training sessions and satisfactorily complete all assessment tasks in order to be awarded the Certificate IV in Small Business Management. Support can be provided in numeracy, literacy, computer skills and study skills to assist you to achieve this outcome.

NEIS Process

NEIS helps turn unemployment into self-employment

There are three stages to NEIS

1. The NEIS Application Process
2. NEIS Training and Business Plan Development
3. Business Commencement and Operation

STAGE 1 - The NEIS Application Process

To participate in NEIS, participants must satisfy both personal and business eligibility criteria.

▲ Personal Eligibility Criteria

To participate in NEIS you must be registered with a Job Services Australia Provider and in receipt of an eligible allowance. Your Provider can tell you if you are eligible.

You also must:

- be at least 18 years old when you begin receiving NEIS assistance
- be available to participate in required training and work fulltime* in your proposed NEIS business
- not be an undischarged bankrupt
- not have received NEIS assistance for a similar business activity
- not have received NEIS assistance in the previous two years

*some exceptions apply.

▲ Business Eligibility Criteria

Your NEIS business must be:

- not currently operating on a commercial basis
- independent, capable of withstanding public scrutiny, and lawful
- assessed as commercially viable by a NEIS Provider
- will not compete directly with existing businesses unless it can be demonstrated that there is an unsatisfied demand for the product or service is to be provided in a new way
- not based on the purchase or takeover of an existing business
- established, located and operated solely within Australia
- in an area of skills shortage for those less disadvantaged job seekers

▲ How to Apply

- Contact BRACE or your Job Services Australia Provider to discuss your eligibility for the NEIS program.
- BRACE will assess your business idea and help you complete the necessary paperwork for your enrolment.

For regional clients only:

Complete the NEIS Application Form and Business Plan Proposal Form and return these via post or fax to the BRACE office in the state in which you live.

Victorian Applicants

BRACE Ballarat
PO Box 210W
BALLARAT WEST VIC 3350
f: **(03) 5332 8087**

South Australian Applicants

BRACE South Australia
Todd Street Business Chambers
6 Todd Street
PORT ADELAIDE SA 5015
f: **(08) 8440 2409**

▲ NEIS Application Evaluation and Training Interview Appointment

The participant will have a one-on-one business evaluation assessment with the NEIS Provider at BRACE or for regional clients a telephone evaluation may apply.

Successful applicants are then invited to attend NEIS training. A further interview will be held with the Training Coordinator to enrol and confirm training requirements.

STAGE 2 – NEIS Training

NEIS training is an Approved Centrelink Activity lasting for up to 13 weeks. Participants will continue to receive their existing Centrelink benefit whilst undertaking training.

During training you will develop a detailed business plan.

▲ **Business Plan Assessment**

Following the completion of NEIS training, your business plan is assessed to determine the potential viability of the business.

This assessment will determine whether the applicant will be eligible to receive NEIS Assistance under the NEIS Program from the Department of Education, Employment and Workplace Relations (DEEWR).

Commercially Viable

The NEIS Provider must be satisfied that the proposed NEIS business will be commercially viable. 'Commercially Viable' means that the proposed NEIS business is likely to provide a net income at least, 'equal to the single, 21 or over, no children rate of Newstart Allowance' by the end of 52 weeks from the commencement of NEIS assistance for each participant in the NEIS business.

A *pro-rata* rate may apply where the NEIS provider determines that the job seeker is able to work in their NEIS Business less than 35 hours per week in line with their activity test or participation requirements under the Social Security Act 1991.

The commercial viability of the business idea is determined primarily through the forecasted cashflow for the second year of the NEIS business's operations, which is a mandatory element for all NEIS Business Plans. In assessing whether the business idea is commercially viable, the following factors will also be taken into account.

- Revenue from sales should be based on thorough market research and realistic sales forecasts. Provision must be made for seasonal fluctuations and low initial sales.
- All relevant cost factors should be included in the expenses section of the cashflow. In particular, any borrowings required to start up the business must be included as outgoings, although these may be spread across several years if necessary, in which case the cashflow projection should be extended for that period.
- Personal living costs of each job seeker should be included.

As with any business, the essential ingredient for business success ultimately rests on the ability of the individual proprietor's own business acumen and management skills to successfully develop the business affairs to create a viable commercial business.

Stage 3 - Business Commencement

Successful participants commence their business and receive assistance through the NEIS Program.

▲ NEIS Income Support

NEIS income support is paid for 12 months at a fixed rate equivalent to the full Newstart allowance. Participants on some payments such as Parenting Payment Single and the Disability Support Pension may elect to remain on those payments or transfer to NEIS payments.

▲ Business Support and Mentoring

During the NEIS Program Stage you will receive a minimum of five (5) face to face business mentor visits, the first visit will be conducted within the 1st month of starting the business. The visits will be arranged by the mentor. Mentors provide assistance, advice, and feedback to help maximise the potential for business success.

Participants are also encouraged to find other personal business mentors and utilise business professionals who can provide specialist assistance in the industry in which their business operates.

Privacy Statement

PROTECTING YOUR PRIVACY

BRACE Education Training and Employment

BRACE is committed to providing you with the highest levels of customer service. This includes protecting your privacy.

We are bound by the Commonwealth Privacy Act 1988, which sets out a number of principles concerning the protection of your personal information.

We would like to communicate to all our customers the following information.

BRACE

BRACE provides a range of programs and services in the areas of education, training and employment are administered through our offices in Ballarat, Ararat, Geelong and South Australia.

Your personal information

Personal information held by BRACE may include (but is not limited by): your name; date of birth; country of birth; language spoken; disability status; indigenous status; current and previous address; telephone numbers/ email address; credit card details; occupation; education achievement; previous and/or current employment details.

Please note, if you choose not to provide us with your personal information, we may not be able to provide you with the services you require.

How we collect personal information

BRACE collects personal information in a number of ways, including:

- Directly from you when you provide information by phone; in documents such as course application and enrolment forms; job seeker registration forms;
- From third parties such as government departments and your authorised representative;
- From our own records

Protection of your personal information

BRACE is careful to protect the privacy of our customers and the personal information you provide to BRACE is protected. It is used by BRACE only for the purpose that it is provided and is only given to other parties in special circumstances where permitted by legislation or where you agree to disclosure.

How we use your personal information

Your personal information is used in order to:

- Provide the services you require;
- Administer and manage those services;
- Inform you of ways the services provided to you could be improved.

Your personal information is also used by us to promote and market other BRACE services that we offer which we consider may be of interest to you. If you do not wish us to contact you regarding other services please let us know (contact details below).

Disclosing your personal information

Where required, your personal information is disclosed to a third party and includes:

- The government department which provides funding to BRACE for the service you are in receipt of
- Agencies relevant to the services being provided
- Government and regulatory authorities and other organisations, as required or authorised by law
- Our professional advisers such as accountant, auditor and lawyer
- Your authorised representative or legal adviser

You can access your personal information

You have a right to access your personal information, subject to some exceptions allowed by law. If you would like to do so, please let us know. For security reasons we may ask you to put your request in writing.

How to contact us

If you have any questions in relation to privacy please contact our Privacy Officer on 1800 101 808. Monday to Friday 9am to 5pm or write to;

Privacy Officer
BRACE
PO Box 210W
BALLARAT WEST VIC 3350

(email: privacy@brace.com.au)



NEIS Assistance

NEIS assists eligible unemployed people to start new, viable small businesses. If you are a registered job seeker, you can access accredited small business training, which will help to build your skills in setting up a small business. During the training you will also develop a business plan, which will need to be approved by your NEIS provider before you start your business. If approved to operate your NEIS business, you will receive NEIS Assistance which is NEIS Allowance* for up to 52 weeks, NEIS Rental Assistance for up to 26 weeks (if eligible) and business mentoring and support for the first year of operation of your business.

Job seeker eligibility

To participate in NEIS you must be eligible for the full range of services with your Job Services Australia (JSA) provider, and you must meet all of the following criteria:

- be at least 18 years of age at the time of commencing NEIS Assistance;
- be available to participate in NEIS training and work full-time in the proposed NEIS business;
- not be an undischarged bankrupt;
- not have received NEIS Assistance for a similar business activity;
- not have received NEIS Assistance in the previous two years; and
- be one of the following:
 - an Indigenous Australian;
 - receiving Stream Services under Streams 3 or 4; or
 - if receiving Streams Services under Streams 1 or 2, proposing a NEIS business that is in an area of skills shortage.

Business eligibility

Your NEIS business must:

- not currently be operating on a commercial basis;
- be independent, capable of withstanding public scrutiny, and lawful;
- assessed as commercially viable by a NEIS provider;
- not be based on the purchase or takeover of an existing business;
- not compete directly with existing businesses, unless it can be demonstrated that there is an unsatisfied demand for the product or service, or the product or service is to be provided in a new way; and
- be established, located and operated solely within Australia.

* Note: Recipients of Disability Support Pension (DSP), Carer Payment, Parenting Payment Single (PPS) and some Department of Veterans' Affairs pensions may be able to remain on their payment while participating in NEIS Assistance.

NEIS Allowance

NEIS Allowance is paid to eligible NEIS participants by DEEWR each fortnight for up to 52 weeks. The rate is regularly reviewed and may change during your participation in the activity.

If you are eligible for NEIS Allowance, it will be income tested. If your gross external income (excluding your NEIS business income, NEIS Allowance, NEIS Rental Assistance, approved allowances or pensions from Centrelink or Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) or Department of Veterans' Affairs (DVA), and your partner's income), exceeds twice the basic rate of Newstart Allowance in a given financial quarter, then your NEIS Allowance may be suspended, generally in the following financial quarter.

Your information and privacy

Personal information is protected under the *Privacy Act 1988* and any disclosure of personal information must be authorised under the Information Privacy Principles.

Disclosure of personal information is authorised if it is obtained for the purposes of social security law, pursuant to the *Social Security (Administration) Act 1999* (for example, if you are receiving income support). In providing employment services to you, your information may be shared between JSA providers, NEIS providers, DEEWR, Centrelink, and other Australian Government departments and agencies. Sharing your information is important as it enables Australian Government departments and agencies to provide you with the most appropriate services to meet your needs.

For more information about your privacy, ask your JSA provider or DEEWR, or visit privacy.gov.au.

Instructions

All prospective NEIS participants involved in your proposed NEIS business are required to complete a separate application.

Giving false or misleading information is a serious offence.

1. Please complete all information on pages 2 and 3, and make a copy of all pages for your records.
2. Give a signed original to your NEIS provider.
3. Keep page 1 with your copy of pages 2 and 3.

Applicants details

1 (To be completed by referring JSA provider)

Job seeker ID number

Name of applicant

Referring office

2 Name of JSA provider

Physical address

Postcode

Business phone

(STD)

Business fax

(STD)

Email

Contact officer

Your personal details

3 (To be completed by applicant)

Mr Mrs Miss Ms Other

Family name

First given name

Other given name/s

Date of birth

 / /

Are you an undischarged bankrupt?

Yes No

4 Your home address and contact details

Postcode

Home phone number

(STD)

Mobile phone number

Email address

5 Postal address

For correspondence if different from home address.
If same as home address, write as above.

Postcode

6 Previous period of NEIS

Have you previously participated in NEIS Assistance?

No (go to next section)

Yes, please complete the following

Was it for a same/similar business as the proposed business in this application?

Yes No

What was the name of your previous business?

What type of business was it?

Did you have a partner/s?

Yes No

Approximate date you finished receiving NEIS Allowance?

 / /

With which provider did you previously undertake NEIS?

Small business training

7 Are you able to participate in small business training?

Yes No

If accepted for small business training, do you have any special training requirements? (optional)

Yes No

Note: You do not have to answer this question. This information is sought to access the level of service that may need to be provided to you by your NEIS provider to participate fully in small business training.

If yes, please specify.

Your proposed business

- 8 Have you ever operated this business on a commercial basis? Yes No
- Are you operating this business as an agent, subsidiary, franchise or part of a multi-marketing arrangement? Yes No
- Is your business a result of a purchase or takeover of an existing business? Yes No
- Will you supply your products/services to one business in an exclusive arrangement? Yes No
- Will your proposed business comply with all relevant statutes, regulations, by-laws and requirements of any Commonwealth, state, territory, or local authority laws? Yes No
- Do you have a Partial Capacity to Work as determined by a Job Capacity Assessment? Yes No
- Will you work in your business on a full-time basis, i.e.:
- 35 hours per week (for job seekers without a Partial Capacity to Work or reduced participation requirements under the *Social Security Act 1991*)? Yes No
- or
- In line with your Partial Capacity to Work as determined by a Job Capacity Assessment? Yes No
- or
- In line with your reduced participation requirements under the *Social Security Act 1991*? Yes No
- or
- In line with your voluntary requirements (i.e. DSP, Carer Payment, Parenting Payment Single)? Yes No
- Have you discussed with Centrelink whether participating in NEIS may affect your ongoing entitlement to your income support payment (i.e. DSP, Carer Payment, Parenting Payment Single)? Yes No
- Are you medically capable of working in your business? Yes No
- Do you have any medical conditions that are likely to be exacerbated by working in your business? Yes No
- Will you have a controlling interest in your business for the first year of business operation? Yes No
- Will your proposed business be established, located and operated solely within Australia? Yes No
- If receiving stream services under streams 1 or 2, are you proposing a business that meets the skills shortage area criteria? Yes No

Provide a description of your proposed business

Provide full names of all NEIS business partners (including your partner* if applicable) applying for NEIS Assistance.

* Definition of partner:

For Centrelink purposes a person is considered to be your partner if you and the person are living together, or usually live together, and are married; or in a registered relationship (opposite or same-sex); or in a de facto relationship (opposite or same-sex).

Centrelink considers a person to be in a de facto relationship from the time they commence living with another person as a member of a couple.

From 1 July 2009, Centrelink recognises all couples, opposite-sex and same-sex.

Your declaration

- 9 *I certify that the information that I have supplied on this form is complete and correct to the best of my knowledge and I acknowledge that false information may lead to refusal, suspension or termination of NEIS Assistance.*

Signature

Date

To be completed by your NEIS Provider

Does DEEWR's IT Systems confirm that the job seeker is Eligible for NEIS?

 Yes No

Does the job seeker's business idea meet the Business Eligibility Criteria (listed on page 1 and questions answered above)?

 Yes No

Signature of NEIS provider's officer

Name of NEIS provider's officer

Business Proposal Form

New Enterprise Incentive Scheme (NEIS)

Name:

Address

Date of Birth..... Ph: Mobile:.....

Email:..... Job Seeker ID or Centrelink CRN:

Job Network Provider: Centrelink office registered with:.....

How did you find out about NEIS?

Are you in receipt of a redundancy or re-training package? YES NO

Describe the products or services your business will provide:

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Why do you want to start this business?

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What are your business and personal objectives in the first 12 months?

BUSINESS.....

.....

.....

PERSONAL.....

.....

.....

What **experience or skills** do you have in this line of business?

.....

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.....

Will there be anyone else involved in running the business (eg: partners, family, investors, associates, staff, etc)? State who these will be.

.....

What initial start up costs may be involved in your business?

.....

.....

.....

Will you be able to afford these before your business begins trading? YES NO

Do you require a loan to start your business? YES NO

If yes, who do you intend approaching to secure this?

Will you be renting commercial premises? YES NO

What qualifications do you have?

.....

.....

What licences or registrations do you currently have?

.....

What licences or registrations do you need to acquire to run your business?

.....

What **business experience and/or skills** do you have to help manage your business?

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.....

.....

Will you have suppliers for your business? (stock, raw materials, outsourcing of services) YES NO

Who will they be?.....
.....

Detail the results of research you have undertaken demonstrating the extent of the need and demand for your products/services?

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.....

Describe who your major customers will be?

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.....
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.....
.....

Who (and where) are your major competitors?

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.....
.....

How will you market your products/services to your customers?

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.....
.....

Will you be able to start you business at the end of training? YES NO

If not, why?
.....
.....

Can you provide "Letters of Intent to Purchase" from prospective customers of your product or service? YES NO

Income and Expenditure

Please estimate the income you believe your business will generate over the first 12 months once you have commenced operations.

Expected weekly income \$ _____

Please estimate the value of business equipment you currently own.

Item	Cost
	\$
	\$
	\$
	\$
	\$
	\$
	\$

Please estimate the cost of business equipment you need to purchase.

Item	Cost	Funds Available?
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

Please list any other costs associated with running your business.

Item	Cost
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

Please return this form to the appropriate location

In Victoria send to:	In South Australia send to:
via fax: 03 5332 8087	via fax:
or via post: BRACE Education Training & Employment PO Box 210W BALLARAT WEST VIC 3350	or via post: BRACE Education Training & Employment 6 Todd St PORT ADELAIDE SA 5015