

Side Hustles

Looking for inspiration? See our articles on thefreelancernetwork.co.uk for top ideas on a Side Hustle Business.



THINKING ABOUT STARTING A SIDE HUSTLE?



In an era marked by rapid change and increasing living costs, side hustles have become a widespread solution for those aspiring to enhance their lifestyles and financial stability.

More than just an income supplement, side hustles are increasingly seen as a stepping stone towards full-fledged self-employment.

This trend offers a unique opportunity to explore entrepreneurial ideas while maintaining the security of a regular salary.





THE GATEWAY TO ENTREPRENEURSHIP

Side hustles allow you to delve into self-employment with a safety net. They offer the chance to test ideas, innovate, and gradually build a sustainable venture without the immediate pressure to replace your primary income.



COMMON QUESTIONS & INSIGHTS

For anyone considering a side hustle, certain key questions often arise:



GETTING STARTED?

Begin by identifying a skill or passion that can be monetised. Research the market to see where your idea fits.

CHOOSING THE RIGHT HUSTLE?

A good side hustle aligns with your interests and skills while meeting a market need. It should be feasible alongside your regular job. Looking for inspiration? See our article (thefreelancernetwork.co.uk) on the top ideas for a Side Hustle Business.

MEASURING SUCCESS?

Success varies by individual goals – for some, it's extra income; for others, it could be the growth or impact of their venture.

UNDERSTANDING TAX IMPLICATIONS?

Be aware of how extra income affects your taxes. It's essential to comply with tax regulations in your region.

HUSTLING IN THE UK?

In the UK, like elsewhere, side hustles must be registered, and earnings declared for tax purposes.

MAKING EXTRA MONEY?

Look for opportunities that fit your schedule. Online platforms offer various options from freelance work to selling products.





It's important to note that the success of your side hustle can vary based on location and current market trends.

Additionally, the rise of remote work and digital platforms continues to create new opportunities and niches within the gig economy as a whole.



Check out thefreelancernetwork.co.uk for tools and further resources to help you in your side hustle journey.



THE DO'S & DON'TS OF SIDE HUSTLING

If you are in the situation of wanting to enhance your main income or simply getting ready to launch your very own side hustle, exploring ways to make extra money is not only easier than a lot of people think it is also proactive and smart on your part, so follow your dreams and push for success.

With the freelance world growing, more and more of the population are competing for this space and it may seem a good idea to create a business plan before you launch into the freelance world and get your side hustle on although it is not imperative you have one.

We have seven easy steps for you to follow to help you hit the ground running:



WORKING AROUND YOUR DAY JOB

With most people obtaining their main source of income from their day job it is super important to make sure this income is not hampered by the launch and added workload of your new side hustle venture.

Analyse and be realistic of what 'free' time you can dedicate to your side hustle to make sure that your main income and job focus isn't neglected.



Don't hide away from your employers that you have a side hustle as you may need to check for clauses in your working contract if your side hustle correlates with your main job, it is always better to be safe than sorry.



ASSESS YOUR SKILL SET

This is something that you are doing as extra work (which shouldn't be overlooked) you want to try and understand your skill set, what you can produce to a good standard and something that ultimately you enjoy doing as you are sacrificing time for added income.

Not only will this allow you to balance your 'regular' working life with your 'side hustle' it will give you a greater chance of achieving your goals and staying motivated whilst producing a service that enables you to grow your reputation within the side hustling world.

check out
thefreelancernetwork.co.uk



DO YOUR RESEARCH

So many people fail when it comes to freelancing/starting a side hustle, and the reason is because there has been no research into what it will take and what obstacles you may face. It is always best to do your research thoroughly and understand what it will take to be successful.



Know your competition, try to find a niche to stand out and fulfil an area that is crying out for a particular service that aligns with your skill set and this should give you a head start in allowing you to fulfil a need within your target market. Don't forget the higher the want, then the higher your potential earnings could be by filling that much needed gap.



MARKET YOURSELF

With side hustling becoming more important it is wise to think about how you will market yourself, what is your brand? what do you stand for? and give reasons as to why people should choose you for their project.



A lot of successful side hustles are mini businesses essentially but all require a shop front, so think about investing in a basic website, setting up your social media business profiles, signing up to a freelancer platform like www.thefreelancernetwork.co.uk or sending out a professional message to onlookers which will enable you to tout for work, for you to be able to achieve your end goals whatever they may be.



DON'T WORK FOR FREE

Yes, you are choosing to launch a side hustle but don't forget what you are doing provides value so don't devalue your work or worth, if you don't believe in yourself then others will end up thinking the same.

One of the biggest challenges that people face is finding paying customers, just remember do not fall into the trap of working for free, there is no worse feeling than having to produce something to a high standard and giving it away for free, no matter how good the work is you are telling your customer, it isn't worth it.

Alternatively, there is the option of a free trial which may lead to a long term project or contract but be sure to outline this and get some commitment and targets to hit before producing the work, then let your quality shine through and build upon that relationship to further profit from it. The only other exception to this is volunteering to build up your portfolio or experience which can also be another way of gaining work.



BUILD YOUR NETWORK

A lot of work can come from networking, being in the right circle of peers or simply from referrals, these are some of the reasons why you should be engrossing yourself in the community you are delving into.

Put the feelers out there, engage with key contacts, approach businesses with your ideas, give them solutions to problems you have identified through your prospecting research. Follow the right companies and people on Social Media platforms, engage with them!



A big part of having a side hustle comes from the ability to be proactive, yes you may attract people to you but maximise the potential and don't become complacent. You are the one to make things happen, and this comes into your mindset and your ability to make things happen.



BE ON THE BALL WITH THE FINANCIALS

Ultimately the more money you make from being successful the more tax you will have to pay, this is just a fact of life and the side hustling world, especially, if you already have a regular, 'main' income stream.

Make sure you do your homework on the implications of tax, consider hiring an accountant if you can who can give you some guidelines so you can make sure you don't get hit with an unexpected bill you have not budgeted for.

other points to consider:



REGISTRATION NECESSITIES

Depending on your location and the nature of your hustle, you may need to register it as a business.

EXPLORING TAX-FREE OPTIONS

Some side hustles may have tax exemptions. Research the laws in your region to understand what applies.

NO EXPERIENCE VENTURES

Many side hustles don't require prior experience – think data entry, basic freelancing, or online surveys.

PASSIVE INCOME STREAMS

Consider options like rental income, stock investments, or creating digital products for residual income.





DO I NEED TO REGISTER MY SIDE HUSTLE?

Do you find yourself tossing and turning at night worrying about your successful side hustle and the tax man one day coming out of the woodwork and stinging you for a large sum which you haven't accounted or planned for?





WHEN TO REGISTER A BUSINESS

Is your side hustle earning income surpassing £1,000 during one tax year?

If so, you are required by law to register as a business. If it is below £1,000 then you could choose to take advantage of trading income allowance. This scenario is whereby UK individuals can make up to £1,000 without having to inform HMRC. Please make sure you bear in mind this relates to income and not profit.



Always do your due diligence and research the benefits of whether using the trading allowance is right for you or if you should register with HMRC regardless of net turnover.



REGISTERING A BUSINESS WITH HMRC

Depending on your business and your side hustle intentions you may opt to register as a Limited Company, if you have partners or you have work in the pipeline whereby you know you be sending out things such as invoices it is always best to register before you get you side hustle of the ground and running to uncompllicate your end of year tax returns and your self assessments.

Check out thefreelancernetwork.co.uk for useful information and links to help you navigate the options available to you in the setting up of your business.





WHAT HAPPENS AFTER YOU REGISTER?

Now you are registered you will receive a very important UTR number to make everything official and a reality. Make sure to then follow the instructions and rules of self-assessment.

Some things to consider if you are doing things yourself are to make sure to keep business records, working out your own taxes and also filling out the end of year tax return which is referred to as an SA100 form, this is done online and needs to be completed by January 31 every year.

You will hear on the radio reminders and also see adverts on television regarding this as HMRC steps up its efforts to give you reminders.



WHAT TAXES DO I NEED TO PAY?

So now we are all registered you may be wondering what taxes you need to pay to HMRC?

You will be required to pay the following self-employed taxes on your profits:



Income Tax



Class 2 National Insurance



Class 4 National Insurance





Of course, the amounts payable will depend on how much profit you earn through your side hustle and what tax reliefs you are inevitably entitled to.

Please note that things will be different for people who are employed as well as having a side hustle.

