



How to Start a Tutoring Business on a Budget

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BUSINESS INSURANCE BROKER

By Premierline

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Introduction

Becoming a tutor is one of the most satisfying ways you can earn a living, and it's not only teachers who can do it: anybody with specialist knowledge, as well as plenty of patience, can become a private tutor.

However, to earn a living this way takes more than just brains and a notebook. If you're looking to establish yourself as a self-employed tutor, there are a few things you need to know. This tutoring business guide offers a few helpful starting points to help you get going, starting with a quick list of pros and cons.

Advantages and Disadvantages of running a self-employed tutoring business:

Advantages	Disadvantages
Low start-up costs	A lot of competition
Low overheads	You must work around someone else's schedule
Potentially profitable	Getting new students on board can be difficult
A year-round service	You may need to obtain a PGCE and/or a CRB/DBS certificate if you plan to teach children or vulnerable people



Qualifications



Although no qualifications are actually essential in order to become a tutor, they can certainly help. A Post Graduate Certificate in Education (PGCE) for example would give you a solid basis to start from, and could be very useful for securing tutoring work.

PGCE Courses

[PGCE courses](#) take nine months to complete – if studied full-time – and are worthwhile for most private tutoring work, especially if you are looking to work with children or young people.

Jamie Thomson, The Tutor Website

“There’s no official accreditation for private tutors in the UK, but it is recommended that tutors at least hold a degree”.

Jamie Thomson, The Tutor Website

“If your students are primarily adults over 18 years old, you don’t necessarily need to have a CRB or DBS certificate, although having one will give your tutees piece of mind”,

Working with Children

In order to work with children or vulnerable people, you need to get a [DBS certificate](#). This is the same as a CRB certificate (Criminal Records Bureau), but is now called a DBS certificate: the CRB and the Independent Safeguarding Authority (ISA) merged into the Disclosure and Barring Service (DBS) in 2013.

There are three types of DBS Check: basic, standard and enhanced. Anyone looking to work with children will need to get an enhanced DBS Check. If you are operating in Scotland or Northern Ireland the process is slightly different as they use different registered bodies: Scotland is administered by [Disclosure Scotland](#) and Northern Ireland is overseen by [Access Northern Ireland](#).

As applicants cannot [complete a DBS check themselves](#), a third party organisation such as an employer, recruiter or tutoring agency will need to complete the form on behalf of the tutor in order to make it legal.



Business status



Choosing a suitable business status

Something you'll need to decide relatively early on is your legal trading status. You could establish yourself as a sole trader or a limited company, or if you're teaming up with a fellow tutor you could set up as a partnership. There is no right or wrong answer here – it's completely up to you. All have advantages and disadvantages, as well as tax, financial and legal implications.

The UK Government website provides some useful information and guidance to help you decide which option is best for you. Options include:

- Limited Company
- Limited Liability Partnership
- Partnership
- Sole Trader

Operating as a [sole trader](#) is often a favourable option by self-employed tutors as this allows them to keep 100 per cent of their profits (after tax). This does mean however that they are personally liable for any losses the business incurs. If you are looking for legal separation from the business then consider setting up a [private limited company](#). This would mean that all finances are kept separate. If you decide on this option then you will need to register with [Companies House](#) and nominate at least one company director for your tutoring business. Once you've decided your business status, you must [register with HM Revenue and Customers' \(HMRC\)](#).

Premises

Two options to consider

Jamie Thomson, The Tutor Website

“Have a think about where will lessons take place. Is there enough space in your home to provide a stimulating learning environment? You should also consider your utility bills and whether the cost of your utilities will increase as a result of your business

Option 1: Tutoring in person

Most tutors will either work from home or travel to a student’s house. If you are travelling, overheads for petrol, public transport costs, etc. should be considered when charging for your services.

If you are a private tenant, you should check that you are permitted to run a small business from your home. Some tenancy agreements have [clauses in place](#) that restrict certain businesses from operating, so it is worth checking out before you start your private tutoring business.

Jamie Thomson, The Tutor Website

“If you offer private lessons at your own home, you have a legal duty to make sure you’re providing a safe environment. It is also worth mentioning to potential clients if you have any pets, in case they have allergies or are uncomfortable around them”

Option 2: Become an online tutor

Online tutoring has increased in popularity as internet speeds and bandwidth have become more efficient. With easier access into the industry, competition in the tutoring industry has soared, although it is useful to point out the positives and negatives before becoming an online tutor:

Positives	Disadvantages
Neither tutor nor student needs to travel anywhere	Rapport is less natural, and non-verbal communication cues are more difficult to assess
You can have more flexibility with their lesson schedules	Difficult to strike up a relationship (and incur repeat business)
Students have the option of any tutor, regardless of country or time zone	Getting parents involved can be tough, and might be an issue for them if they cannot meet you
Students could be less likely to be shy, and more focused, during an online tutorial	Delivering critical learning information, such as enunciating during a language lesson, can be easily miscommunicated
Can be an answer to local tutor issues	

To see if online tutoring is right for your tutoring style, take a look at this report ([‘Online Tuition in the UK’](#)) for all the answers you need.





Things to consider...

To become a private tutor you need a few essentials. The TutorHub recommends the below:

Laptop

Windows based laptops are available from around £350. Anything smaller than a 13.5" screen may be too small to work on, while 17" screen devices might be too heavy if you're taking it to a student's house. Chromebooks have a tempting price tag, but be aware that they cannot run Microsoft Office.

Microphone

Most laptops will already have microphones installed, but the audio quality tends to be poor. If you invest in a microphone headset (which usually costs around £10), the quality of sound will be much clearer for students if you ever need to work with them online.

Webcam

This will probably already be on your laptop too, but again the quality may be poor. An external webcam will give you a much clearer picture and will help you if you are conducting online tutorials. A webcam usually costs around £20 - £30.

Getting a website

Your website will be your shop window

Many prospective customers will search online to find tutors in their local area, so having a professional looking website is essential. Your website is your shop window into the services you can offer as a private tutor. If you're building a website from scratch, you could benefit from doing the following things:

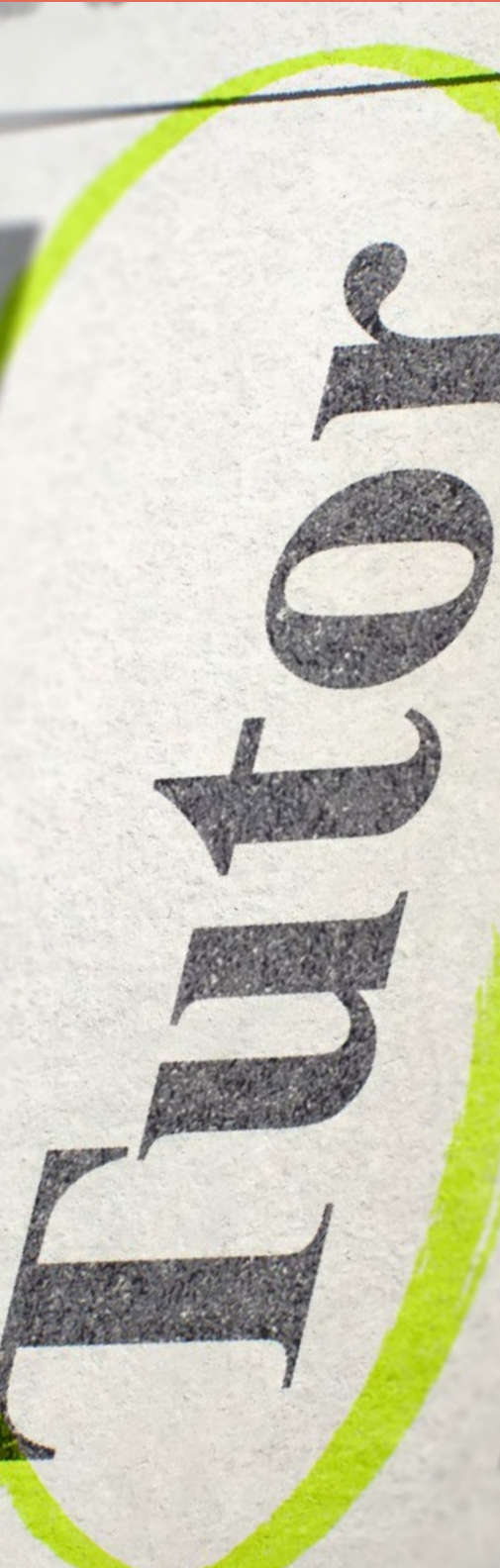
- Focus on your expertise. Include information about you, your qualifications, how long you have been a tutor and what inspired you to teach. Write about your specialist subject and anything else you think would be of interest to potential students or parents.
- Additional information about your business – hourly rates and travel charges if applicable, as well as any other information that you think could be useful.
- Credibility - Once your business is up and running, ask customers for testimonials and publish these on your site. This can help demonstrate your professionalism and boost your credibility to other prospective customers.

It's easy to build a website yourself

Some platforms to build a simple but professional-looking website on are:

- [Wix](#)
This is a free website builder, ideal if your mobile coffee business has a limited budget and you need to use an efficient platform.
- [WordPress](#)
WordPress is a popular, fuss-free platform: you can add plugins, themes and images easily, which is beneficial if you wish to add a personal style to your website.
- [Webs](#)
Webs helps create a website for free, with upgrades available whenever you are ready.





Private tutoring businesses rely heavily on word-of-mouth, as well as the repeat business they naturally gain over time. In order to find students, and get students to find you, there are a few things you can do to make it easier:

Use a tutoring agency

One way to attract new customers is to sign up with tutoring agencies. Here you can put yourself in front of prospective students/parents with very little expense. These sites are usually free for tutors to sign-up to, as the sites make their money via commissions from students.

Henry Fagg from The Tutor Pages

“Agencies differ quite widely in their approach. Some can be very supportive and will offer teacher training, professional development and social events. There is also a certain kudos to working with some of the more prestigious agencies, so it can be good for the CV. Other agencies (particularly online ones) are very ‘hands off’: they will introduce new students to a tutor but do very little else. It is important to note that, by law, a tuition agency is only allowed to charge the client and not the tutor”

PayPal is the preferred method of payment on these types of sites, so setting up a PayPal business account in advance will help you get paid quicker.

Some online tutoring agency sites commonly used are:

- [Complete Tuition](#)
You can advertise your services for free and tutors only pay for advertising once they secure a student.
- [The Tutor Website](#)
To register on this site you need to have at least a university degree. Registrations costs £25 for an entire year and only costs £10 to renew.
- [Tutor Hunt](#)
Tutor Hunt allows you to register for free, and doesn't charge students any commission for using you.
- [Tutor Me](#)
This site connects students with tutors from their virtual classroom, and specifically takes on tutors from GCSE to postgraduate level.
- [First Tutors](#)
Hourly rates are chosen by the individual and signing up is free.

Marketing

Utilising Social Media

As a tutor, you want to show prospective students that you are not only knowledgeable, but that you are easy to get in touch with. Social media is a great way for you to do both of these things on platforms that most people use on a daily basis.

[Facebook](#) and [Instagram](#) are good for prompting dialogue early on between students and tutors. Short videos, images, and brief explanations of your services, are easy ways to show you operate a strong business. Facebook is especially handy for keeping in touch with tutees, and for quickly responding to any queries they may have. If prospective students notice you respond quickly, they are more likely to trust that you are going to help them in the long-run.

Business cards are another cost-effective way to get your name out there, and are especially useful if you are looking to capture an audience who isn't online:

Oliver Naylor, Complete Tuition

"Once you have set up and are providing a great service, use your existing clients and word of mouth to grow your business by passing business cards to each new parent who will then forward them on when recommending you"

Paid marketing activities, such as Pay-Per-Click (PPC) advertising can also be useful, but you do run the risk of not being seen if bigger competitors, with larger budgets, are fighting for the same market space:

Oliver Naylor, Complete Tuition

"PPC and AdWords can be useful for larger tutoring agencies but aren't as effective with smaller marketing budgets, as you never reach the critical mass required to see the return"

Another approach to get your name out there is to work at an after-school tuition centre:

Oliver Naylor, Complete Tuition

"Many of these centres are run as franchises (examples include [Kumon](#) or [Magikats](#)). Other companies in this sector employ their tutors. The most prominent supplementary education employer of this kind in the UK is [Explore Learning](#)"



Taking Payments

Payment Methods

If you are working for yourself, you will likely receive payment by either cash, PayPal, cheque, or bank transfer. Of all the payment options, cash is simplest: cheques can take a while to clear, so avoiding them is advisable if you want to be paid quickly; Bank Transfers, whilst efficient, can get rather confusing to keep up with, especially if you are being paid by multiple students/parents. PayPal is gaining in popularity all the time. It allows you to create invoices and request money from students easily, but be aware that you will be charged between 1.4% and 3.4%, plus 20p per transaction.

Oliver Naylor, Complete Tuition

“Stress the importance of paying on the day of the lesson, or in advance if possible. You will also benefit from setting fixed payment days for each person, so you can easily check who has paid on time”

You might want to consider offering a free consultation lesson at a reduced fee to establish trust, or alternatively offer a shorter lesson during your first meeting. If you are concerned about students paying regularly, here are some sample payment strategies, outlined by The Tutor Pages, below:

- Take payment in advance for a whole term's lessons.
- Take payment in advance for a block of 4 or 6 lessons.
- Take payment online a week in advance for each lesson.
- Take payment by cheque, PayPal, bank transfer, or through an online payment system via your website.

How much can you expect to be paid?

As a private tutor, your rates need to be competitive enough to get pupils on board, without cutting so low as to risk your profits. The amount you can expect to be paid depends on the level of academia you will be working with: on average, tutors charge £30-£32 per hour to students below the age of 14 (as of 2017). For GCSE tuition, rates are around £33.90 per hour, and A-level tuition is £37.20 per hour on average. University-level tutorship will earn you around £42.50 per hour.

For more information about what you can expect to be paid, depending on your level of study and the subject you are teaching, take a look at the [Tutor Pages private tuition fees data](#).

Insurance

Protect your business against the unexpected

Although [Public Liability insurance](#) isn't required by law, it is recommended for anyone who offers tuition. This protects tutors against legal liability following an injury to a student or damage to third party property. Public Liability insurance is equally as important if you are teaching in a student's home or neutral venue.

[Professional Indemnity \(PI\) insurance](#) is another means of protection. Many tutors take out PI insurance to protect themselves from any potential legal proceedings for example if a student fails their exams and parents allege that your tuition was inadequate.

If you're travelling to clients houses or using your car for business purposes, you will need to check your motor policy, in particular the description of use. Private motor insurance generally excludes business use meaning it could be invalid. Without the right cover in place you may not be covered if you're involved in an accident on the road. You may wish to consider [commercial vehicle insurance](#).

For advice on insurance for your tutoring business, speak to the business insurance experts at Premier BusinessCare today on **0333 320 6009**, get a quote online or [request a call back](#).



Thank you to our contributors:

We would like to thank our contributors for providing us with their advice and comments:

Henry Fagg

www.thetutorpages.com

A private tuition resource including a directory of UK tutors

Jamie Thomson

www.thetutorwebsite.co.uk

A resource to both find a tutor or advertise for students

Oliver Naylor

www.completetuition.co.uk

A resource to help find course & revision materials

This guide has been compiled by Premierline who specialise in arranging personalised business insurance for businesses in the UK.
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business articles, please contact us at questions@premline.com