

Rt Hon Rishi Sunak MP Chancellor of the Exchequer HM Treasury, 1 Horse Guards Road London SW1A 2HQ

18 May 2020

Dear Chancellor

Re: Extension of the Self-Employed Income Support Scheme ('SEISS')

Following our letters in March, we are writing again to thank you for the actions the government has taken to help the self-employed, including very many of the authors and writers among ALCS's 100,000 plus members, and for the earlier than expected opening of SEISS last week, with many payments already having been made.

We would also urge you now, of course, to extend the SEISS in line with the Job Retention Scheme changes made last week, to put the self-employed on the same footing as employees until the end of October, at least.

Freelancers in the creative industries, who often subsist on low incomes with a mix of other part-time jobs, have already been hard-hit, with over 40% of writers reporting a fall in income according to a Society of Authors survey last month and a further third uncertain about their prospects. The SoA, along with other bodies, is now conducting more research, which will, of course, be shared with you and Select Committees conducting Covid-19 inquiries.

We welcome some of the changes in the SEISS guidance to date - such as help for the more recently self-employed by allowing just 2018/19 tax returns to be considered - but would also urge you to go further and review some of the additional concerns we have already expressed, so that further issues can be addressed. These include:

- Allowing all the recently self-employed to benefit, on the basis of expedited 2019/20 tax return submissions;
- Taking gross income into account, not net profits, given that there is already a £2,500 monthly cap, as the scheme is regressive in the cases of people with low incomes after relatively substantial fixed outgoings, which often remain;
- Removing the 50% of income from self-employment threshold, by taking earnings from other part-time sources into account, as many such jobs have now dried up with people not benefitting from 'furlough' under the JRS;
- Extending the scheme to the self-employed operating through personal service companies and taking income through dividends, given again that there is a £2,500 monthly cap;
- Tapering the scheme, so that there is no £50,000 'cliff edge', as many in the creative industries living in high cost areas such as London and the South East are not super-wealthy, and may not have substantial savings to draw on.

Once again, we thank you for your efforts so far and hope that in the light of circumstances you will also keep under review other measures, such as the terms of the Bounce Back Loan Scheme and emergency funding to the Arts Council, to assist the large number of freelancers and self-employed in these most uncertain and testing of times.

With best wishes and yours sincerely

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