

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

[By email only](#)

19 May 2020

Dear Chancellor,

**COVID-19 Financial Assistance for Self-Employed Authors**

I write further to my letter of 7 April 2020 and to the submission from the Authors Licensing and Collecting Society ('ALCS') of 18 May 2020.

As you are aware from my earlier letter, the Society of Authors ('SoA') is an independent trade union, founded in 1884, representing over 11,000 writers of all types, including illustrators, translators, photographers, storytellers and scriptwriters. Each year, we vet hundreds of our members' publishing, writing, performing and licensing agreements, providing them with valuable advice on their rights as both self-employed and employed practitioners.

The creative industries sector has been hit particularly hard by the coronavirus crisis, having shown strong growth in recent financial years. With one in three workers in the creative industries self-employed – more than twice the economy at large – it is vital that there is clarity over the future of the Self-Employment Income Support Scheme ('SEISS').

I would be grateful for answers to the technical questions surrounding the administration of, and eligibility for, the SEISS raised in my earlier letter. In the meantime, I would simply restate my broader point that both the SEISS and the Job Retention Scheme ('JRS') need to be complementary in policy terms if they are to work well for the creative industries sector.

In particular, the SoA's main concern is that the SEISS is extended in line with the JRS and that the following changes to it and related schemes are made:

1. Removing the 50% of income threshold (or reducing it to 25%) in accordance with paragraph 1.2 of my earlier letter. This is a critical change that needs to be made given that [85% of our members](#) appear to be falling between the gaps in the JRS and SEISS criteria. I would ask that all income – both PAYE and freelance – is considered within the entirety of JRS and SEISS calculations during any second phase and that compensating payments omitted from the first phase are made to ensure that self-employed creative professionals are not disproportionately disadvantaged.
2. Gross income, rather than net profits, must now provide the basis for calculating payments under any extension of the SEISS. Paragraph 2 of my earlier letter refers.

Without this important change, the SEISS will continue failing to support those self-employed people with low incomes and significant fixed outgoings.

3. I welcome the Government's introduction of the 'Bounce Back' Loan Scheme, which appears to have been designed, in part, to meet the difficulties at paragraph 2 above. However, I am aware that both the Booksellers Association and the Association of Illustrators share the SoA's concerns about the 12-month interest-free period being too short in view of the time that it is likely to take for the publishing and creative industries to return pre-crisis levels. I would ask that HM Treasury carefully considers an extension of the interest-free period and/or the introduction of a *de minimis* threshold above which repayments would be made. You will also note the commercial concerns raised in paragraph 13 of my earlier letter surrounding the response of some of our banks to what are essentially Government-backed schemes.
4. The recently self-employed must be allowed to benefit from the SEISS on the basis of expedited 2019/20 tax returns, following the Government's welcome extension to the filing deadline for 2018/19. See paragraph 5 of my earlier letter. This is hugely important for newer authors and creative professionals beginning their careers.
5. The arbitrary £50,000 cliff-edge applied to the SEISS must also be revised in any furtherance of the scheme to alleviate the concerns set out in paragraphs 1.3 and 12 of my earlier letter. This could be effected by way of tapering provisions or raising the threshold to enable those authors and creative professionals who are not wealthy but who may have enjoyed disproportionately 'good' financial years throughout the qualifying period.
6. HM Treasury has still not addressed paragraph 6 of my earlier letter in which I raise the matter of many authors and creative professionals operating through limited companies and being paid in dividends. I would ask that any extension of the SEISS take account of this reality, which should in any event be satisfactorily addressed by the £2,500 cap.

On behalf of the SoA, please accept my thanks again for your support of the arts and the creative industries to date. The scale of the Government's intervention to ameliorate the adverse effects of the current crisis is appreciated, notwithstanding these concerns.

Whilst writing, I am pleased to report that our [Authors' Emergency Fund](#) has attracted almost £1 million in donations with grants distributed now totalling £758,900 and 538 authors helped (74% of applicants) with grants of up to £2,000 (the mean grant being £1,411). Unfortunately, in view of the likely long-term effect of the crisis on our members we are urgently seeking further funding to allow us to keep these funds open until the end of the year.

I look forward to hearing from you further. In the circumstances, I would be grateful for a response [by email](#), copying in our Public Affairs Manager, [Eddie Reeves](#). We would be pleased to engage in a constructive dialogue with HM Treasury about these and ongoing matters affecting the arts and the creative industries.

Yours sincerely,



Nicola Solomon  
Chief Executive