



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

27 November 2020

Dear Chancellor,

We are writing to you as a group of trade unions, business organisations, and politicians representing and working with self-employed and freelance workers who are deeply concerned about the impact of the current gaps in the financial support schemes on our workforce. The failure to address these gaps in the Spending Review this week leaves these workers facing an extremely difficult winter.

As you know, since the CJRS and the SEISS were introduced they have supported millions of workers and businesses, but there are millions more who have received no support and who are in a desperate financial situation as a result. This includes the newly self-employed, directors of small limited companies, those falling foul of the various cliff-edges in the SEISS (the 50% rule and the £50k limit) and those who consider themselves to be PAYE freelancers.

We understand that these schemes were set up in haste and that it was difficult at the outset to broaden their scope, however these schemes are now set to run for at least a year and the continued omission of these workers is causing immeasurable hardship and huge mental health consequences for those impacted and their families.

While some of these issues present technical difficulties to resolve, solutions have been proposed to you – such as the new Directors Income Support Scheme which shows how the Government can help those with income from dividends from working in their companies, as opposed to passive investment. However, many more are simply the result of harsh red line thresholds set by the government when it was unclear how long this economic support would be required. We are calling on you to urgently revisit these thresholds, and to engage with us and revisit the solutions we have presented to resolve the technical challenges involved in issues such as dividend payments and the newly self-employed.

We stand willing to work with government to minimise the risks, however we find it unconscionable that the risk of fraud by a small minority of people has led to millions being left with no financial support during an unprecedented financial crisis.

These workers are facing a miserable Christmas period, and the evidence is mounting that many may turn away from self-employment and freelance work in the future. This is a tragedy for these individuals, their families and their businesses, but it is also a disaster for the economy and for the prospects of economic recovery in sectors that rely on an innovative and flexible freelance and self-employed workforce, such as the creative industries.

Offering support to these individuals over the winter by expanding your support schemes is therefore an essential down payment on our economic recovery in 2021 and beyond as well as being a compassionate response to the difficulties faced by these freelancers and self-employed entrepreneurs.

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We urge you to engage with us and to fix these gaps in support before they become a trapdoor under the economy.

Yours sincerely,

Philippa Childs, Head of Bectu

Mike Clancy, General Secretary, Prospect

Michelle Stanistreet, General Secretary, National Union of Journalists

Paul W Fleming, General Secretary, Equity

Roy Rickhuss, General Secretary, Community

Horace Trubridge, General Secretary, Musicians Union

Ellie Peers, Writers Guild

Aron Padley, Sonali Joshi and Anneka Hicks, Founders of Excluded UK

Ellie Phillips, spokesperson for ForgottenPAYE

Keith Webb, ForgottenLtd

Caroline Norbury MBE, CEO, Creative Industries Federation

Craig Beaumont, Chief of External Affairs, Federation of Small Businesses

Derek Cribb, Interim CEO, Association of Independent Professionals and the Self-Employed (IPSE)

Jonathan Geldhart, Director General, Institute of Directors

Andy Burnham, Mayor of Greater Manchester

Dan Jarvis, Mayor of Sheffield City Region

Marvin Rees, Mayor of Bristol

Sadiq Khan, Mayor of London

Steve Rotheram, Mayor of Liverpool City Region

Jamie Stone MP, Alison Thewliss MP and Tracy Brabin MP, co-Chairs of Gaps in Support APPG

Andy Harrower, Directors UK

Liz Tucker, Women in Film and TV

Miatta Fahnbulleh, CEO, New Economics Foundation