

# Temporary Income Protection Fund Self-Employed Workers



There must be a dedicated source of direct income support to compensate the self-employed for lost earnings due to COVID-19. A Creative Industries Federation survey last week revealed that 60% of creative freelancers estimate that their income will more than halve in 2020 due to the coronavirus outbreak, and almost 50% of freelancers who responded to our snap twitter poll have already had 100% of their work cancelled.

To support the self-employed both now and through the coming months, an emergency fund is urgently needed that gives a time-limited and carefully targeted cash grant to the self-employed workers and freelancers that need it most.

Such support should be based on average existing earnings of the individual in order to ensure that they can minimise disruption to their lives and meet existing costs and obligations.

Other European countries have put in place similar schemes, e.g. Norway has guaranteed temporary income protection of 80% of average self-employed earnings from the past 3 years up to NOK 600,000.

**We propose a government fund of £15bn to provide all full and part-time self-employed workers a monthly income matching their average existing earnings, over the past three years or as far as recent records allow.**

- The minimum monthly income to be the Real Living Wage after the basic rate of income tax (£1100 a month approx.)
- The maximum monthly income to be average UK earnings after the basic rate of income tax (£2000 a month approx.)
- Consideration in the calculated amount for those who have had to take leave (e.g. maternity) and provisions for those who have also been employed to make a full and fair claim.

## **This fund would operate:**

- Administered by HMRC, DWP and BEIS and backdated to the start of the crisis - March 1st
- With government using the payment on account system for bi-annual business reporting and working with financial institutions to trace and calculate incomes where possible
- With the self-employed generating self-certification of income loss via historic banking data and submitting tax-records if necessary - FinTech solutions for the former include Covid Credit
- For an initial period of 3 months with the potential of extension and further money provided if necessary
- The amounts payable should be subject to ongoing review to maintain the most appropriate level of support for freelancers at this difficult time

**The proposed Temporary Income Protection Fund for Self-Employed Workers was drawn up in partnership with IPSE, and is supported by the following representative bodies from across the creative industries:**

AIM  
Animation UK  
Arts Council Wales  
Association of British Orchestras  
Association of British Theatre Technicians  
Association of Photographers  
AudioUK  
BAPLA  
Bristol Media  
British Arts Festival Association  
British Association of Screen Entertainment  
British Beauty Council  
British Fashion Council  
British Fashion Models Agents Association  
British Institute of Interior Design  
Crafts Council  
Creative United  
The Cultural Capital Exchange  
DACs  
Design Council  
Digital Entertainment Group International  
Directors UK  
Federation of Scottish Theatre  
Film + TV Charity  
Guild HE  
Guild of Media Arts  
Independent Cinema Office  
Independent Publishers Guild  
ISM  
Music Education Council  
Music Managers Forum  
Music Producers Guild  
National Rural Touring Forum  
OneDance UK  
Publishing Scotland  
Scottish Book Trust  
Scottish Contemporary Art Network  
ScreenSkills  
Society of Authors  
Society of British Theatre Designers  
SOLT/UK Theatre  
UK Music  
UK Screen Alliance  
UKIE  
Wales Arts International  
Welsh Independent Producers - TAC  
York UNESCO Creative City of Media Arts