

Written evidence submitted by Sound Hound

I am writing as a Director of an acoustic consultancy company. My company is a successful business specialising in providing support, advice, guidance and management for large scale music events in the UK. As a business I also engage sub-contract workers during the event season. My work season starts late January with preparatory planning work and licence negotiations, through until the end of October, typically working to make sustainable 12-15 outdoor festivals in the year.

My company income for the coming year has totally evaporated due to the coronavirus shutdown. My personal income is made up of a small PAYE salary with the remainder as company dividends. I am in acute need of the equivalent support provided to salaried workers/sole traders.

In relation to current support, it can be best summarised as “you can borrow more and defer your tax for the time being..... and it will all have to be paid back”. Given my predicted company income for this year at £0, it would seem unwise to accumulate more debt.

The UK music show and festival industry attracts around 900,000 visitors to the UK each year, employment in the music industry is approaching 200,000, with the live sector over 30,000. Overall the music industry contributes over £5 billion to the UK economy, with live music over £1 billion.

With the necessary measures to limit the spread of COVID-19, my business has effectively hit the buffers, as all music events and festivals have now been cancelled up until June. All forecasts indicate that we will have to keep social distancing measures in place for longer. Given the lead time for organising large events I am now resigned to my company having no work at all this year, and therefore no income. My business will inevitably be wound up or become bankrupt. I'll probably survive, my business will not.

When economic responses were being formulated, I had anticipated a Conservative administration to recognise the economic importance to the country of the small business sector and the entrepreneurial self-employed. Apart from the contribution these businesses make, they are the seed bed for new industries that will provide the future employment and prosperity for the UK. The Government has effectively thrown my employment sector under a bus.

Stephen Barclay's statement that making provision for the such self-employed would be “operationally difficult” would be amusing were it not such a casually callous disregard for the 1-2 million workers who operate legitimately using a limited company business model which is particularly prevalent in the music industry. Small business associations and trade bodies concerned with the self-employed are bursting with ideas and suggestions as to how provision could be made so I would encourage the Treasury to take these on board.

If the Treasury really wants to understand what “operationally difficult” truly means please get in touch so I can explain the operational difficulty in having a forecast £0 business income this year.