

## **Written evidence submitted by John Phillips**

I am a self employed bathroom fitter and plumber living and working in Wales. My business has been established for over 12 years.

When the Coronavirus hit, and lockdown was imposed, my (modest) earnings and my ability to earn dropped to zero, and (residing in Wales with our extended lockdown measures) have continued to be at zero.

I have been denied support under the SEISS for not meeting one of the (somewhat arbitrary) criteria imposed specifically to the self employed.

Sadly, I am not alone in being excluded from support - There are certainly hundreds of thousands, if not millions of us who have been excluded and allowed to fall through the gaps.

This evidence primarily focuses upon the following:

### **Job Protection Scheme and Self-employment Income Support Scheme**

What gaps in coverage still remain and are changes required to increase their effectiveness?

The Coronavirus outbreak, and the calls for lockdown, financially affected everyone regardless of their employment status. Yet differing employment statuses have been supported based upon differing criteria.

Criteria were applied to the self employed that were not applied to traditionally employed workers who were furloughed.

Specifically, a "50%" rule between trading profits and other income was applied to the self employed. And the self employed were excluded if their trading profits exceeded £50,000.

No such rules were applied to traditionally employed workers who were eligible, regardless of their earnings in their affected employment nor any other forms of income they may have been in receipt of.

This has resulted in unequal and inequitable levels of support being applied to equally tax paying and financially affected people. And those self employed who didn't meet the somewhat arbitrary criteria have fallen through gaps, and have been excluded.

The assumption appears to have been made that the self employed, if fortunate enough to have a trading income in excess of the £50,000, or had other income sources did not need any additional support. On the other hand, salaried earners were not subject to such a "means test".

The financial cap of £2500, which was applied across the board, would have been sufficient to "protect" the Government from excessive liability, regardless of any 50% or £50,000 trading income criteria.

At the end of the day, no income during this period is no income - period - and regardless of what *might* have been had the virus not occurred.

In addition, whilst the JRS and SEISS schemes were announced reasonably close to each other, the self employed were unable to claim support for a considerable time, and it was untimely that they were informed of their eligibility so late in the day. Those delays forced many self employed to make financial decisions based upon their belief that they would be eligible.

In my specific case, I was denied assistance under the SEISS on the basis that a pension drawdown (finances to which I had no access as it is in "bricks and mortar) broke the 50% "rule". Consequently, I have been both denied the ability to earn an income during this time, and denied the support to assist me in the meantime.

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During a daily Downing Street briefing, the Chancellor made the impassioned statement that “No one would be left behind”.

I believe that he made that statement in all good faith, and with the belief that the support schemes would be all-embracing to those financially impacted.

However, the criteria set out by those who actually devised the scheme created gaps and has resulted in a huge number of excluded people - No doubt in order to provide quick “turnkey” solutions.

The Government should now readdress those criteria in light of the level of excluded people to bring them into the fold and provide them with the financial support that they were both promised and deserve in order to keep their businesses above water.

These actions need addressing as a matter of urgency as excluded people have been without any form of equitable support for nearly 3 months already.

There are many, many other gaps that the excluded people have been allowed to fall through and this evidence focuses on just few.

*June 2020*