

Written evidence submitted by Mairi Claire Bowser (Set Decorator, Freelance)

I am a part PAYE / part Self Employed freelancer who has received no Governmental help in these months. I have been a tax payer for over eight years.

In the past year, I became part self employed to accommodate for job roles that automatically needed to be invoiced for, and when Covid 19 struck I was last on a self employed job. As I have been part self employed for less than a year then I could not access SEISS, and anyway, receiving 80% of 20% of my income would be minimal anyway.

My PAYE work which is representative of 80% of my income in this past year – and 100% of my work in the previous seven years – has meant that I'm taxed at source and the amount taken dictated by HMRC. My last PAYE employer, Disney, chose not to furlough me as they said they did not think that they had the authority to as that production came to a natural end prior to the impacts of Covid 19 on our industry. I have therefore had no access to furlough or the SEISS through no fault of my own, which feels particularly feels like a stab in the back given that they made us be part of that system, and I have been in one of the highest tax bands because of this.

My local MP, Greg Smith, has been no help at all. His response was to refer me to a foodbank – screenshot attached of that reply – which was not only problematic as foodbanks are not state support, and in our developed and wealthy nation of the UK we should not have to rely on these to support our people, but also as he gave this to me as a recommendation on the 3rd of April in the midst of our full lockdown, even though the foodbank he suggested is a 50 minute roundtrip drive from my home in Shabbington – he knew where I lived, and we had already been told not to travel in that time. This is without also recognising that the financial benefit of receiving a food parcel is not much more than I would spend on petrol to get there and back, and if travelling by public transport, then he was risking my life, as well as every other person's in this constituency – it was nonsensical on many levels.



SMITH, Greg B <greg.smith.mp@parliament.uk>

Fri, Apr 3, 1:37 PM ☆ ↶ ⋮

to me ↵

Dear Mairi

Thank you for your email.

I have been raising this with the Treasury for some days now, on behalf of many constituents in the creative industries who find themselves in this position.

In the meantime, there is some support you can get locally. I would recommend contacting Bucks County Council Crisis Support on 01296 382414 or on 0800 999 7677 (Out of hours). You can also get support from local foodbanks, such as Aylesbury Vineyard, if required.

I recognise this is an incredibly difficult time for freelance workers and you have my word I will continue to press these issues with the Chancellor.

Kind regards

Greg

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In the past week I have also since contacted him in light of the findings of the Treasury Select Committee report, which came as welcome news to those of us who have been campaigning to have financial support given to the widest possible reach of citizens of this country. His response to our request for PAYE freelancers to have access to the SEISS was not only offensive – effectively totally disregarding our plight – but he also only gave me explicit political spin on the situation, which to someone who is directly impacted by the lack of support available, only showed me his ability to try to gaslight his own constituents, and acknowledge that in fact, despite my contacting him on several occasions through these months about our specific situation as PAYE freelancers that he has, in fact, been doing nothing to help us specifically.

As part of the Forgotten PAYE campaign I have run a survey of hundreds of us who have been left in this position and we came to realise the extent of gaps in our PAYE category specifically being denied, details below.

I haven't earned any money in over two months already, this work that we are doing to help as many people as possible to be supported, to help save our industries and help to rebuild our economy is all voluntary, and has been time consuming and emotionally impactful to be faced with the harsh realities of what many citizens of this country have been left in.

Please help us to help you, and in turn help our country to come out of this in the best possible position.

#ForgottenPAYE Survey Results

Overall, from the findings of our survey, it is very clear to us that by excluding our estimated 1 – 1.7 million PAYE Freelancers, and our wider 3 million Excluded from financial support now, that this then only moves the problem elsewhere – there will be a greater demand on healthcare services in the months and years to come because of the direct impacts that a lack of support already has had on mental health, as well as the 'brain drain' effect that skilled people leaving their chosen industry, meaning that those specific industries will not be in a good position to help with the regrowth of our economy: everyone will suffer in the long term, not only us.

All of the Government's handling with excluding a total excess of 3 million excluded goes against the basic principles of both knowledge management and of basic economics. If the Government does not support us all, we cannot in turn support it.

Argument for Giving PAYE Freelancers Access to the SEISS

This is an argument for equality – that every tax payer receive support in these months based off of their previous tax paying. For PAYE freelancers in particular, this is a particularly unjust situation as 94% of us have been forced to be paid like that, and HMRC have directly chosen how much we pay them as we are taxed at source. So given that we have complied with rules that were put onto us, we should then not in turn be penalised for the way that we pay tax, rather than an 80% reflection of our previous income based off of how much tax we've previously paid.

Argument around the need for parity

It is a very simple argument: that everyone be entitled to the same benefits, calculated based off of a percentage of their previous tax paying. This needs to happen with immediate effect to support those already further disadvantaged because of the Government's handling of this, as well as to protect freelance PAYE workers against future economic impacts from Covid 19, or other future pandemics.

Getting into debt

40.7% of PAYE freelancers have already been forced into debt. This will then jump by a further 16% to a total of 56.7% if we continue to not receive any support in the next three months either.

PAYE Freelancers using savings for buying a house for essentials.

- This will result in a negative impact on the property market as there will be fewer available buyers in the market, meaning that sellers will left unable to sell property, or will need to reduce to below the expected market value of their property.

PAYE Freelancers using savings for retirement

This will have a negative future impact on the economy as that money will not be able to be used in markets that the retired traditionally consume from.

PAYE Freelancers Facing Homelessness

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Shelter is a basic human need, the impact of any worker not having a home could be catastrophic for them, and the industries and markets that they normally serve.

Mental Health Impact

51.4% of PAYE freelancers are already suffering from depression because of the lack of support available to them, and 52.9% already experiencing insomnia because of the lack of support. 85% of PAYE freelancers have experienced increased anxiety in the past three months already, directly because of the lack of Government support in these months.

Without support now, the resource need will only be moved from a direct financial assistance of up to £14,000 now for an individual, but would likely have a long lasting negative impact on the economy by putting a resource strain on our welfare and healthcare systems.

Argument on Gender Discrimination

There is also arguably a sex discrimination factor at play by the lack of support being given to PAYE freelancers, as 63.3% of us are women.

INADEQUACY OF BASIC WELFARE SUPPORT

In addition to not receiving any Covid specific support from the Government, 48.3% of PAYE freelancers have not had access to basic welfare support either.

We are aware that even the maximum amount available for Universal Credit isn't enough to cover even basic living costs, and that it is horrific that anyone be excluded from even this basic support based off the fact that they are in a relationship, even if that relationship was not one that had previously agreed to be financially dependent.

Argument that Access to Universal Credit Shouldn't be Dictated by a Partners Income

This will contribute to an imbalance of relationships, and arguably also lead to an increase in abusive relationships if one person has to financially rely on the other.

Only 29.1% of PAYE freelancers have had access to Universal Credit, with many citing partners income – even out with marriage – as being a cause for that.

Argument that Universal Credit itself isn't Enough to Cover Basic Living Costs

In addition to not receiving any Covid 19 specific support, the average basic welfare being received (including Universal Credit and Jobseekers Allowance) is only covering 24.49% of basic living expenses.

FUTURE IMPACTS

If no parity of support is received for all freelancers, then we expect to experience the following future impacts as a result.

Skilled Workers Changing Career / 'Brain Drain Effect to the UK Economy'

42.2% of PAYE freelancers are already considering leaving their chosen industry. This will jump by a further 21.1% if no support is received in the next three months – taking the move of freelancers to other industries up to 63.3%.

Rishi Sunak's reference to us as 'casual workers' is not only patronising, but also highly uninformed. Many of us are highly skilled and trained in our chosen areas and many of us have been working in our respective industries for several decades already. The loss of this knowledge will have a 'brain drain' effect if skilled workers leave their industry. This will mean that further training will be necessary, costing the UK more money elsewhere later down the line, and our respective industries will suffer and not be in a good position to return to work and help to pick back up our economy.

Impact on Diversity on our Creative Industries

As PAYE freelancers, we are already aware that PAYE freelancing was already a way of working that those from low income backgrounds could not easily get into, or stay in. We are very aware that if no support is given to all freelancers by allowing them access to the SEISS, then this will mean that only those who can already afford to ride out the storm with support from friends and family will easily be able to return to it when the industry starts back.

This undermines any previous work done to increase diversity within our industry, and it will undoubtedly impact on the quality and diversity of content that we are able to produce from this country from a variety of experiences and perspectives of creatives.

Negative Impact on the Economy

- At the very least, the Government should be giving a parity of support to all freelancers to help aid economic recovery. Whilst we would like them to be driven by the human centric cause for making sure that as many citizens of this country are supported financially to help support their individual wellbeing, which would then, in turn, support the economy, the government should at the very least be looking at this cause for support as basic qualitative easing : if between 1 million – 1.7 million PAYE freelancers alone (and an estimated 3 million total including those from other excluded factors) do not receive financial support, then we will drastically reduce our spending, and the economy will take longer to recover.

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