

**Summary of Recommendations:**

- Level up of support for self-employed creative freelancers who make up a significant proportion of the workforce.
- Extend the Self Employment Income Support Scheme (SEISS) and the Coronavirus Job Retention Scheme (JRS) beyond April 2021.
- Expand the strict eligibility criteria of the SEISS and ensure that the fourth grant is maintained at same level as the JRS.
- Establish a Creators Council to improve engagement with the individual creative workforce and help tackle unfair practices in the creative industries.
- Maintain the £20 per week Universal Credit uplift and keep the suspension of the Minimum Income Floor.
- Extend the reduced 5% VAT rate and the VAT deferral scheme.
- Ensure that there is specific and targeted support for creators still required to shield when the industry reopens.
- Increase funding for Public Lending Right (PLR).

**Background:**

- The creative industries are vital to the cultural and economic fabric of the UK. They contributed £115.9 billion in GVA to the UK economy in 2019, which is more than aerospace, automotive, life sciences and oil and gas sectors combined.
- Before the pandemic, the creative industries were growing at five times the rate of the UK economy as a whole and were developing new jobs faster than other sectors.
- The pandemic has exposed the fragilities within the creative sector, which employs many on short term, freelance and self-employed contracts.
- Over 20% of all the self-employed people in the UK work in the cultural and creative industries (33% of the 2.1 million in the creative industries and almost 50% of the 676,000 in culture).
- As a result of lockdowns and restrictions on indoor venues, many creators in the live performance sector have been unable to carry out their work and have lost income.
- Creators such as journalists, photographers and technical operators have seen a freeze in commissions to cover sporting and cultural events which have all been cancelled due to the lockdowns.
- There are concerns over the long-term impact of the pandemic there will be a decrease in commissions even after the economy reopens due to a reduction in funds.
- Some have been unable to access any form of government support such as Universal Credit (UC), the Self Employment Income Support Scheme (SEISS) or the Job Retention Scheme (JRS), this has forced them to survive on savings and/or loans, or even to leave the sector altogether.
- The disruption to the sector will have a long-term impact on creators unless the government works with the sector to ensure creative businesses and workers are properly supported.

**Recommendations:**

## Levelling up Support for Creators:

- To protect and promote our world-leading creative industries, the government must step up and offer sector-specific support, not just for cultural and creative institutions but for the workers who are the lifeblood of the industry.
- Creative workers, many of them self-employed freelancers, have endured the long-term closure of their industries such as the cancellation of all indoor and outdoor performances.
- The CRA welcomes the government's continued commitment to supporting creators. However, CRA members hear directly from many creators who are still unable to access any form of government support, and some who have had no income since the pandemic began a year ago.
- Many creators have either missed out on the JRS or have been unable to claim fair or reasonable support from the SEISS. This is due to gaps in their work due to caring responsibilities or maternity/paternity leave or because of legitimate but substantial expenses (such as one-off equipment costs, studio rent etc). We fear that newly self-employed people and those with self-employed work paid PAYE will also continue to miss out on support.
- The SEISS and the JRS must be extended beyond April 2021 to provide essential support and reassurance to self-employed creators who have faced unprecedented challenges since the start of the pandemic.
- The government must urgently address the shortfalls in support for self-employed creators by ensuring that those who have been without financial assistance finally receive support. They must increase the existing level of support provided by the SEISS and must expanding the unfair eligibility criteria.
- The government must ensure parity between employees and the self-employed by providing the same level of support. Specifically, by ensuring that the fourth grant of the SEISS is maintained at the same level as the JRS (80% of average trading profits).
- Research by CRA members the Ivors Academy and Musicians Union found that 70% of creators in the music industry who are shielding feel unable to safely return to work until they are vaccinated.
- The government must ensure that there is specific and targeted support for creators still required to shield when other performers and creators are able to return to safely work.
- Support should include keeping flexible and online working options available so those shielding can still be considered for work. Adapting and changing working conditions and practices to meet ensure each creators' needs are met.

## Universal Credit:

- UC has been a lifeline for many creators during the pandemic. Many of those who have been unable to access the SEISS or JRS have been reliant upon UC.
- The suspension of the Minimum Income Floor of UC has been a lifeline for many self-employed creators who have seen their incomes fall substantially since the start of the pandemic.
- Similarly, the decision to increase UC and Working Tax Credit by £20 per week at the start of the pandemic has given much needed financial support to creators and their families.
- The removal of the £20 uplift and the re-imposition of the Minimum Income Floor during this crisis period in the industry would force creators further into hardship, particularly as there is no clear roadmap to safely reopen the sector.
- The CRA is calling for the government to continue the suspension of the Minimum Income Floor for Universal Credit beyond the end of April 2021 and the continuation of the £20 uplift in UC standard allowances beyond April

2021.

#### VAT policies:

- Many creative professionals in the live performance sector have been unable to carry out their work and have lost income. The industry supports hundreds of thousands of skilled jobs across the UK and brings in significant revenue for the UK economy.
- The reduced 5% VAT rate and the VAT deferral scheme can potentially greatly benefit the creative industries. Prolonged closures and restrictions on live performance have, however, prevented many from directly benefiting from these VAT policies.
- The provision to pay VAT in instalments does little for the vast majority of businesses in our industries that have made very little income due to lockdown restrictions and are therefore in the same position as when the scheme was announced. Additionally, not all freelancers are registered as sole traders and therefore cannot take advantage of this provision.
- To safeguard the survival of the UK's world-beating live performance industry, the government must ensure that the vital VAT policies are extended to when venues can reopen safely.

#### Increase in Public Lending Right (PLR) Funding:

- PLR has been a way to reward authors and writers (including visual artists, such as photographers and illustrators) for loans of their work from public libraries, and in a fair and targeted way — with a strict maximum limit so 'best sellers' by no means get all the benefit. provide authors with fair monetary remuneration for the use of their work in public libraries.
- The PLR fund has not increased for ten years and at, just £6.6 million, it is less than half the amount provided in France and Germany, for instance, for their writers' contribution to what is clearly a public good. meaning authors are compensated at under 10p per loan for their books less than equivalent systems in Europe.
- 'Levelling up' An increase in funding for PLR would be a small, yet significant measure which will have a positive financial impact on a wide range of authors who have seen their incomes decrease because of the pandemic.

#### Creators Council:

- The COVID-19 crisis has accelerated calls for the government to establish a Creators Council, consisting of membership organisations and trade unions who directly represent and advocate for creators.
- They are uniquely placed to offer expertise and resources to assist the government in supporting creators, including many freelancers affected by the COVID-19 crisis, and thereby the UK's wider creative economy.
- A newly established Creators Council will provide a forum for creators and their representatives to advocate for best practice, share ideas and make practical contributions to policymaking.
- It would complement the Creative Industries Council, where the government regularly meets industry bodies. These, however, are dominated by large, often multi-national companies, which fail to give a voice to the workforce who are integral to the success of our creative and cultural sectors.
- This would ensure a holistic approach that works to create a more inclusive --- approach, where workers, creators and industry are all represented.
- This proposal has been supported by a cross-section of Parliamentarians and recently by the Digital, Culture, Media and Sport Select Committee in its [inquiry examining the impact of COVID-19 on the creative industries](#).

The **Creators' Rights Alliance (CRA)** is a collective that exists to promote, protect and further the interests of creators through advocacy and campaigning work. We speak on behalf of 17 organisations and trade unions (see website for membership list) representing just under 350,000 creators on issues affecting creative professionals – from authors, artists and illustrators to translators, performers, musicians and journalists – on policy issues as diverse as fairer contract terms and working conditions to copyright and intellectual property issues.

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