

## Creators' Rights Alliance Submission for Spring Budget:

### Summary of Recommendations:

- 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 tackle exploitation in the creative industries and support workers.
- Maintain the £20 per week UC rate and keep the suspension of the Minimum Income Floor.
- Level up of support for self-employed creative freelancers who make up a significant proportion of the workforce.
- Extend the reduced 5% VAT rate and the VAT deferral scheme.
- Increase funding for Public Lending Right (PRL).

### Background:

- The creative industries are vital to the cultural and economic fabric of the UK. They contributed £115.9bn in GVA to the UK economy in 2019, which is greater than aerospace, automotive, life sciences and oil and gas sectors combined.
- Before the pandemic, the creative industries were growing 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 creatives 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 covering sporting, cultural events which have all been cancelled due to the lockdown.
- There are concerns as to 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, the Self Employment Income Support Scheme or the Job Support Scheme, forcing them to survive off savings and/or loans, or even 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 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 creators who are still unable to access any form of government support resulting in some having no income since the pandemic.
- 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). Newly self-employed people and those with PAYE and self-employed work 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 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 same level as the JRS (80% of average trading profits).

### Universal Credit:

- Universal Credit (UC) has been a lifeline for many creators during the pandemic as many of those who have been unable to access the SEISS or JSS 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 will force creators further into hardship, particularly as there is no clear roadmap to safely reopen the sector.
- The CRA is calling for the 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 universal credit 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 however, prolonged closures and restrictions on live performance have prevented many from directly benefiting from the 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.
- 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 provide authors with fair monetary remuneration for the use of their work in public libraries.
- The PLR fund has not increased for ten years, meaning authors are compensated at under 10p per loan for their books less than equivalent systems in Europe.
- 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.
- Trade unions and membership bodies representing workers within the creative sector are uniquely placed to offer expertise and resources to assist the government in supporting creators affected by the COVID-19 crisis and the wider UK's creative economy.
- A newly established 'Creators Council' will provide a space for creators and their representatives to advocate for best practice, share ideas and make practical contributions to policymaking.
- A Creators Council will complement the Creative Industries Council, where the government regularly meets industry bodies. However, these bodies 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 sector.

- This would ensure a holistic approach that works to create a more inclusive sector where workers, creators and industry are all represented.
- This proposal has been supported by a cross section of Parliamentarians and recently by the Digital, Media and Sport select committee in response to their [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 appendix 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.

For more information, please contact Huma Haq at [contact@creatorsrightsalliance.org](mailto:contact@creatorsrightsalliance.org) or visit our website at <https://www.creatorsrightsalliance.org/>