



## CATHERINE WEST MP

*Member of Parliament for Hornsey and Wood Green*

The Rt Hon Rishi Sunak MP  
Chancellor of the Exchequer  
HM Treasury  
The Correspondence & Enquiry unit  
1 Horse Guards Road  
London  
SW1A 2HQ

30 March 2020

Dear Rishi,

Re: Covid-19 Self-employed assistance

Following your statement last week regarding HM Government assistance for self-employed people, I have been contacted by many of my constituents who are not covered by the steps laid out last week.

While I acknowledge the great lengths you and your officials have gone to under such a time-pressured situation to date, I have below highlighted some of the main issues my constituents have highlighted to me, and issues which are not covered by steps announced to date:

### **PAYE freelancers**

Many of my constituents, particularly in the creative industries, are employed on a series of short PAYE contracts. These people are falling between the gap, not covered by the Self-Employed Income Support Scheme (SEISS) but also in many instances not covered by the Job Retention Scheme (JRS) for employees because they weren't formally in a contract at the cut-off date.

An urgent update to the Government's guidance to make it clear that these workers can and should be re-hired and furloughed by their last employer - even if this was before the 28th February cut-off date - would assist many in this situation.

As you know, the creative industries are a significant contributor to the UK economy and ensuring they are able to return promptly after the outbreak restrictions are lifted is vital to ensuring our economic recovery. I urge you to engage with the Trade Unions, organisations, and societies representing those in the creative industries and tailor additional support for them.

### **Single owner / employees of Limited Companies**

An alarming number of constituents have contacted me concerned that there has been no suggestion of support for single owner / employees in Limited Companies in the statements made last week. The majority of those who have been in contact have paid themselves either no, or a nominal, salary from their businesses in recent years, and have supplemented that income with dividends. At present, they face no financial support despite falling below the £50,000 threshold.

£50,000 threshold

Many of my constituents have expressed their concern that, as their profits are slightly above the outlined £50,000 threshold, they stand to receive no direct financial assistance for their businesses during the current crisis. My London constituency of Hornsey & Wood Green has high property prices and many people have told me they are facing financial ruin by virtue of being £1,000 or £2,000 above the threshold. I would urge you to instead explore a cap, similar to that on offer for employees of up to £2,500 a month, so people are not left with no support during this unprecedented time.

### **Newly self-employed**

I've been contacted by a number of newly self-employed people whose income won't be properly reflected in their 2018/19 tax return or they may not have done one. One newly self-employed constituent, told me they started working in October 2019 after completing their studies, so they're not eligible for SEISS. As they are so newly qualified, they have no savings, a young family and the only option of Universal Credit wouldn't cover their bills.

### **Omitted businesses**

I have also been contacted by several businesses who are alarmed that they face financial ruin but have no recourse to proper support. Although I have been contacted by many businesses, the largest section of these are estate agents and childcare providers. By the nature of their businesses the majority of these are still operating in some fashion, but their income has significantly fallen as demand has dried up. While support measures for many businesses have been welcomed, I would urge steps to be established to support those businesses left behind.

I appreciate the work being done by your officials in the face of huge demands, and I do welcome the steps laid out so far. But I would implore you to look at the gaps I have outlined above, and address the concerns of my constituents who have been left out of the support so far.

I look forward to hearing from you.

Yours sincerely,



Catherine West

**Member of Parliament for Hornsey & Wood Green**