



ALD Coronavirus Financial Survival Guide

21 August 2020

revision 14

Written by: Rob Halliday

Proofreading and comments:
Robbie Butler, Lucy Carter, Rick Fisher, Mark Jonathan, Ian Saunders, Johanna Town

Check regularly for updates:
<https://www.ald.org.uk/resources/coronavirus-financial-guide>

Revision History:

- 25 March 2020: Arts Council England Covid-19 Relief Fund added; formatting changes; Note about overdraft interest-free periods added.
- 26 March 2020: New Government scheme for the self-employed/freelancers added.
- 27 March 2020: Added information indicating those operating through their own limited companies would be eligible to claim through the furloughed worker/job retention scheme. Added link to Government freelance scheme page. (a) Note that freelance scheme doesn't prevent you from working.
- 31 March 2020: TheatreSupport website added. Note on BECTU campaigning re freelance upper limit. Note on furloughed employees being able to work for others (or not).
- 1 April 2020: Sadly, this turns out not to be a complex April Fool joke. Links to new Government guidance confirming directors of companies can furlough themselves while continuing to administer their company.
- 9 April 2020: No longer need for Universal Credit applicants to call benefits staff.
- 28 April 2020: Added Government financial support website and new 'bounce back' loan scheme.
- 4 May 2020: Added new Government link for freelancers to check eligibility to claim. Clarified that freelancers earning exactly £50,000 are eligible.
- 1 June 2020: Extensions to Government Furlough and Self Employed Support Schemes
- 10 July 2020: Theatre Artists Fund added
- 21 August 2020: Second Self-Employed Support Scheme now open for applicants.

(Note: information has been added and updated, but some information that remains may now be outdated)

UPDATE 21st AUGUST: URGENT

There are many people who 'fall through the gaps' in the various support schemes described in the rest of this document - usually by having too much money saved, by being new to freelancing, by having done some, but not enough, work as a freelancer, or having earned too much money over the last three years.

Sam Mendes, the Society of London Theatre and UK Theatre have now set up the Theatre Artists Fund to help such people - theatre practitioners who have been ineligible for Government aid and have not been able to work since theatres closed on 16th March. One-off emergency grants of £1000 are available.

Full details can be found, and applications can be made, here:

<https://www.theatreatists.fund>

The first round of applications closed on July 13th. People working in lighting have successfully received grants from the Fund.

The Fund has suggested that further rounds of support may be available, but this will depend on the Fund successfully attracting further support beyond the original donation made by Netflix.

If you fall into the category of people this Fund is designed to help, you should apply as soon as possible.

INTRODUCTION

It's unprecedented: our industry has been brought to an abrupt, dramatic stop by the coronavirus and the measures being put in place to help control its spread. Running shows have been suspended. Events have been cancelled. Upcoming theatre shows have been 'postponed', though it's not hard to imagine those postponements quickly becoming cancellations. Those in jobs are suddenly finding themselves without jobs; those who are self-employed, suddenly finding themselves without work.

The important thing: you are not alone. Everyone in our industry is in the same position. Many beyond our industry too.

We thought it might be helpful to pull together a quick 'financial survival guide': things that you can and should do to help see you through.

Four important things to note:

- this is information compiled by lighting designers, generally from Government and other publicly available information. While there is some input from professional accountants, it is meant to be a quick guide not a definitive instruction manual. Use this as a quick starting point for your own research. This is particularly the case for anything involving the tax credit/universal credit system.
- this information covers the most general cases but not all cases. Other sources of support may be available, particularly in cases such as those with disabilities.
- this version of the guide updates the information to as we understand it on 1st June 2020, in particular noting the extensions to the Government's Furlough and Self Employed support schemes. If you haven't applied for the Self Employed scheme you should do so AS SOON AS POSSIBLE as applications for the first round of support will close on Monday 13th July.
- nothing in this document is specific to lighting practitioners; feel free to share it with others working in theatre or in other industries.
- UPDATE 21st August 20: The Government announced, weeks ago, that it would supply £1.5billion of additional funding to

support the arts. It has still to clearly define who this money will go to or how they apply for it. The result is that people outside our industry will tell us that the problem of the arts is solved. It's not.

We've attempted to divide this up into the three most common employment categories in our industry. Rather than read the whole thing, you should jump to the section that's most relevant to you:

- those who are or were **employees** - ie. who work for a company: [go here](#)
- those who are **self-employed** but operate as an employee (and also director) of their own limited company: [go here](#)
- those who are **freelance** - ie. work for themselves under their own name with no corporate entity around them ('sole trader'): [go here](#)
- we have some general advice for protecting your finances [here](#)
- and if you just need some useful links: [go here](#)

The Government now has a website designed to let people find the support which will be available to them according to their personal circumstances and the way they operate as a business. This site can be found here:

<https://www.gov.uk/business-coronavirus-support-finder>

In addition, the Department for Digital, Culture, Media & Sport launched a 'Call for Feedback' for those working in the culture and creative industries. The ALD surveyed its members and responded on their behalf. We would hope that this response and the many others like it helped to secure the additional support funding for the Arts.

At the same time PLASA, ABTT, PSA, SOLT and UK Theatre have created a group called #EventsForTheFuture, which is encouraging as many in the industry as possible to contact their MPs outlining their position and the position of the industry as a whole. The group has prepared sample letters for those in different employment categories to use as the basis of your response. They can be found here:

<https://www.plasa.org/coronavirus-mp-letter-templates/>

Even though the Government has committed to providing additional funding to the Arts, we would suggest that you do still contact your MP even if you have not yet done so. The Government needs to understand how big our industry is.

EMPLOYEES

SICKNESS

Statutory Sick Pay (SSP) of £94.25 has always been available to employees of companies. SSP was usually only paid from day 4 of an absence and then for up to 28 weeks. It required you to provide a 'sick note' from your doctor.

These rules have now been changed. SSP is payable from day 1 of Covid-19 sickness that requires you to self-isolate. You do not need to, and should not, visit a doctor to obtain a sick note: you can now obtain an 'isolation note' by visiting NHS 111 Online:

<https://111.nhs.uk/>

It is also payable if you are staying at home to care for people in your household and have therefore been advised quarantine the whole household.

<https://www.gov.uk/statutory-sick-pay>

This should all be handled by your employer. The Government is currently reimbursing businesses with up to 250 employees for the cost of coronavirus-related SSP for up to two weeks per employee. This will not help if your employer is making you redundant. This would be a good reason to encourage them to take the Furloughed Worker approach...

LOSING YOUR JOB VS FURLOUGHED WORKER

Companies with no work quickly identified that they could not afford to retain their employees and so started the process of making them redundant.

On Friday 22nd March, the Government announced a new scheme called the 'Coronavirus Job Retention Scheme'. Under this scheme instead of being made redundant you as an employee could be classified as a 'furloughed worker'. The employer could then claim a grant of up to 80% of your salary up to a limit of £2500 per month from the Government, to allow them to continue to pay you; they could pay you the remaining 20% themselves, but do not have to. The scheme is backdated to 1 March 2020 and has been announced as running for three months though with the understanding that it will be extended if necessary. Payments will be subject to the usual tax and other deductions.

Originally the scheme covered the months of March, April and May. On 29th May, the Government announced that the scheme would be extended through

to the end of October, though with some changes to the way the support is funded and to the Furlough conditions.

It is up to employers to decide whether to take this approach, though one would expect most of them will want to in order to preserve their workforce so as to be 'ready to go' on the other side of the coronavirus shut-down. You should talk to your employer to see if they want to take this approach.

The Government notes that 'to qualify for this scheme, you should not undertake work for (that company) while you are furloughed'. This will no doubt disappoint employers who might want to keep using you during this time (for example, in tidying up a warehouse to be ready for future business) but would help to encourage social distancing. *UPDATE 31March20*: While there seems to be nothing in the guidance to say you can't take another job while furloughed, the indication is that you are not allowed to do this, though you can volunteer for projects.

The Government later clarified that "the scheme also covers employees who were made redundant since 28 February 2020 if they are re-hired by their employee."

UPDATE 1June20: As noted, the Government has now extended the scheme through to the end of October. These changes begin from August 2020. If you have been placed on the Furlough scheme the details of how much you receive should not change from your perspective - you will continue to receive 80% of your salary up to a limit of £2500/month (your employer can choose to top this up to the full salary, but they can change their mind about this at any time). From your employer's perspective things do change slightly because the ratio of what the Government pays to what your employer pay shifts. In return you will be able to do some work for your employer part time. The ratios change slightly each month during August, September and October.

Note also that the scheme closed to new applicants on 10th June 2020; if you hadn't been furloughed by then you can't be furloughed moving forwards.

<https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme>

<https://www.moneysavingexpert.com/news/2020/05/government-announces-furlough-scheme-changes---what-you-need-to/>

UPDATE 10July: The Government has now announced that they will pay employers £1000 for each employee returned from furlough and still working for the company early next year, to encourage businesses to retain employees.

UNIVERSAL CREDIT

If you lose your job or become a furloughed worker where your income is reduced, you can sign up for Universal Credit. This is the Government's re-design of the welfare system that attempts to bring many different support systems (such as jobseekers' allowance, child tax credit, house benefit, income support and more) together into one system. You can check if you are eligible and then sign-up online here:

<https://www.gov.uk/universal-credit>

Traditionally new claimants have had to attend an interview with a Work Coach at a local Job Centre. This requirement is being waived currently, though there may be a requirement for a telephone interview. UPDATE 9April20: The Government has now scrapped the requirement for applicants to telephone benefit staff; instead benefit staff will call you if necessary, as reported here:

<https://www.theguardian.com/politics/live/2020/apr/09/uk-coronavirus-live-lockdown-extended-boris-johnson-in-hospital-covid-19-latest-updates#block-5e8f52828f085c6b5b9baa00>

Payments vary depending on age and circumstance but for a single person over 25 years of age is £317.82 a month, plus about £231 per child for up to two children, plus possibly some support for housing costs. The Government is indicating that these rates will be increased from 8th April 2020, to £409.89 for a single person over 25. Universal Credit is paid monthly. It has usually taken 5 weeks to receive a first payment but there are indications that payments to new recipients are currently being fast-tracked with payments of up to a month's advance being received very quickly.

The key limitation: you can only receive Universal Credit if you (and your partner jointly, if you have a partner) have £16,000 or less in savings. For any savings between £6000 and £16,000 the amount paid will be proportionally reduced by £4.35 for every £250 you have. Your partner's earnings will also be assessed in the Universal Credit calculation.

You should also be careful if you still receive payments under the older tax credits system which have not yet transitioned to the new Universal Credit system since the new system may not be to your benefit.

<https://www.equity.org.uk/media/3992/uc-briefing-sheet-2020-current.pdf>

NEW STYLE JOBSEEKER'S ALLOWANCE

If you are now unemployed or working less than 16 hours a week, you should also investigate the New Style Jobseeker's Allowance (JSA).

To be eligible for this you must have been credited with enough Class 1 National Insurance (NI) contributions in the last two years. Unlike Universal Credit, there is no limit based on your savings. You may be able to claim both New Style JSA and Universal Credit. You can claim New Style JSA for up to 182 days.

Application for New Style JSA is online; again there is usually a requirement for an in-person interview, but this is being replaced with telephone interviews at the moment.

<https://www.gov.uk/how-to-claim-new-style-jsa>

SELF EMPLOYED IN YOUR OWN LIMITED COMPANY

SICKNESS

The Government has announced that it will cover the cost of up to 2 week's of Statutory Sick Pay (SSP) per eligible employee who has been off work because of Covid-19, for any company with less than 250 employees as at 28th February 2020.

You should therefore be able to pay yourself (and other employees) the £94.25 per week SSP if you are unwell through Coronavirus and reclaim this cost from the Government. The time starts from day 1 of your sickness, and you do not require (and should not go get) a 'sick note' from a doctor - instead you can obtain an 'isolation note' by visiting NHS111 Online:

<https://111.nhs.uk/isolation-note/>

It is also payable if you are staying at home to care for people in your household and have therefore been advised quarantine the whole household.

Note that as of 28 April 2020 the repayment scheme from Government to companies is up and does seem to be operating smoothly.

<https://www.gov.uk/Government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses#support-for-businesses-through-the-coronavirus-job-retention-scheme>

FURLOUGHED WORKER

Those who are employed through their own limited companies, as a director of that company, are able to Furlough themselves. Whereas most employees cannot do any work for a company while Furloughed under this scheme, directors are allowed to continue to administer the company.

This means that people in this position should be able to claim the grant of 80% of their salary to a limit of £2500/month for three months, from 1 March 2020 in the first instance, as for employees.

Note however that these payments are based on a PAYE salary, whereas those employing themselves through their own limited companies often pay themselves largely in dividends, with a smaller salary that usually sits just under the annual tax allowance. Grants made under this scheme will be calculated based on the PAYE salary, NOT any payments made through dividends. You must have been on a PAYE payroll on or before 28 February 2020, and have a UK bank account.

If grants are allowed to be made to company directors it will be the salary figure that is used to calculate the eligible amount.

<https://www.gov.uk/Government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses#support-for-businesses-through-the-coronavirus-job-retention-scheme>

<https://www.theguardian.com/world/2020/mar/26/coronavirus-support-package-for-uk-self-employed-how-does-it-work>

UPDATE 1June20: The Government has now extended the scheme through to the end of October. These changes begin from August 2020. The details of how much you can receive as an employee are unchanged (80% of your PAYE salary up to a limit of £2500/month). However the proportion of how much the Government pays vs how much the employer has to contribute will change slightly in each of August, September and October, with the Government reducing its contribution from 80% of salary to 60%. The scheme will end on 31 October 2020.

The scheme closed to new entrances on 10th June 2020; if you havd't furloughed yourself by then you won't be able to be furloughed moving forwards.

<https://www.moneysavingexpert.com/news/2020/05/government-announces-furlough-scheme-changes---what-you-need-to-/>

TAX DEFERAL

The Government is deferring the next tax payment, due on 31st July 2020, for those who complete self-assessment tax returns. Note that this payment is still required, but will not be due until 31st January 2021. At the moment the separate payment due on 31st January 2021 will also still be due on that date. However, since your income (and so tax bill) at that point is likely to be much lower you should have a lower payment then and also a lower advance payment to make for the next year (or you will be able to ask to reduce your payments on account).

You can, if you want, still make the payment on 31st July 2020. This will protect you from accidentally spending the money before January. But it would perhaps be wiser to find the highest interest paying account you can and store the money there earning interest for six months, though rates for these accounts will generally be very low because of the Bank of England's coronavirus-related interest rate reductions. Having this money accessible may be useful if the shutdown continues for an extended time.

If you are already behind on your tax payments, you should investigate the HMRC's Time to Pay service, which can make special arrangements to help with or catch up on payments. The dedicated Time to Pay service is on 0800 0159 559. Accountants have noted that clients who have used this service have already been granted three-month payment holidays.

<https://www.gov.uk/Government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses#support-for-businesses-through-the-coronavirus-job-retention-scheme>

VAT DEFERAL

If your company is VAT registered, the Government has deferred all VAT payments until the end of June. While these VAT remains due, being able to defer payment should help with your cash flow in the short term.

BUSINESS INTERRUPTION LOAN SCHEME

The Government is setting up a loan scheme, with loans of up to £5million available to small businesses, with the Government providing lenders with a guarantee of 80% of each loan and covering the first 12 months of interest payments. These loans will be offered through existing banks and other finance providers, starting from 23rd March 2020.

<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/>

Update 28April20: The Government has also just announced an additional 'bounce back' loan scheme for small businesses, designed to be more immediately and easily accessible. The loan can be for up to 25% of your turnover for the last year, up to a maximum of £50,000. The interest costs for the loan are paid for the Government by the first year, and you can re-pay the loan at any time without penalty. Since it seems likely that theatre will be late at returning to work, and since this scheme could of course be withdrawn at any time, it arguably makes sense to apply for one of these loans now, to the maximum amount allowable, even if you don't need it now. Put the money in an interest-earning account. If you need it, you have it. If you don't, pay it back in a year's time having earned a little interest on it. Information about these loans can be found here:

https://www.gov.uk/government/news/small-businesses-boosted-by-bounce-back-loans?fbclid=IwAR35f5iSe8i6l1Tu4TaLgLFOZa0_Jj-JFpxQ0B09PFvryS1wrfA4NZiw0dA

BUSINESS RATES / CASH GRANT

If you have business premises on which you pay business rates, the Government is introducing various schemes to reduce or remove business rates for this year. You should check these with your local council.

The Government has also promised £10,000 cash grants to the 'smallest businesses', defined as those that pay little or no business rates and are eligible for small business rate relief or rural rate relief, to be administered by local authorities. Details for these grants is promised soon.

<https://www.gov.uk/Government/news/coronavirus-covid-19-guidance-for-employees-employers-and-businesses>

UNIVERSAL CREDIT

If your income is dramatically reduced, you may be able to sign up for Universal Credit. This is the Government's re-design of the welfare system that attempts to bring many different support systems (such as jobseekers allowance, child tax credit, house benefit, income support and more) together into one system. You can check your eligibility and then sign-up online here:

<https://www.gov.uk/universal-credit>

Traditionally new claimants have had to attend an interview with a Work Coach at a local JobCentre. This requirement is being waived at the moment, though there may be a requirement for a telephone interview. UPDATE 9April20: The Government has now scrapped the requirement for applicants to telephone benefit staff; instead benefit staff will call you if necessary, as reported here:

<https://www.theguardian.com/politics/live/2020/apr/09/uk-coronavirus-live-lockdown-extended-boris-johnson-in-hospital-covid-19-latest-updates#block-5e8f52828f085c6b5b9baa00>

Payments vary depending on age and circumstance but for a single person over 25 years of age is £317.82 a month, plus about £231 per child for up to two children, plus possibly some support for housing costs. The Government is indicating that these rates will be increased from 8th April 2020. Universal Credit is paid monthly. It has usually taken 5 weeks to receive a first payment but there are indications that payments to new recipients are currently being fast-tracked with payments of up to a month's advance being received quickly.

The key limitation: you can only receive Universal Credit if you (and your partner jointly, if you have a partner) have £16,000 or less in savings. For any savings between £6000 and £16,000 the amount paid will be proportionally

reduced by £4.35 for every £250 you have. Your partner's earnings will also be taken into account in the Universal Credit calculation.

NEW STYLE JOBSEEKER'S ALLOWANCE

While you will not want to make yourself unemployed from your own company, if you can demonstrate that you are now working less than 16 hours a week, you should also investigate the New Style Jobseeker's Allowance (JSA).

To be eligible for this you have to have been credited with enough Class 1 National Insurance (NI) contributions in the last two years. Whether you have achieved this will depend on the way you have structured payments from your company. Unlike Universal Credit, there is no limit based on your savings. You may be able to claim both New Style JSA and Universal Credit. You can claim New Style JSA for up to 182 days.

Application for New Style JSA is online; the usual requirement for an in-person interview has been replaced with telephone interviews for now.

<https://www.gov.uk/guidance/new-style-jobseekers-allowance>

IR35

IR35 is the reform the Government has been trying to implement to stop companies employing individuals through 'shell' companies (ie. employing a worker by paying the worker's own limited company, which then pays the worker), to remove the tax/national insurance benefits the worker can achieve when employed in this way. It was covered by Stuart Porter in the most recent issue of *Focus*. These changes were due to come in to force on 6th April 2020.

<https://www.ald.org.uk/system/files/focus-pdfs/eFocus%20Feb-Mar20.pdf>

A 'bright side' of all this, if there can be such a thing, is that the IR35 tax reforms have been postponed by a year to 6 April 2021 - though the Government is insisting they will still go ahead then, and you should continue to prepare for them.

https://www.contractorcalculator.co.uk/ir35_breaking_Government_announcements_delay_558310_news.aspx

FREELANCE SELF-EMPLOYED

SICKNESS

Freelance self-employed workers have never been eligible for Statutory Sick Pay (SSP).

This continues to be the case, but freelancers affected by Covid-19 should now be eligible for 'New Style Employment and Support Allowance' (ESA). As long as you have paid your class 2 self-employed National Insurance (NI) contributions over the last 2-3 years you should be eligible for this regardless of any savings you have or any earnings your partner makes. If you are over 25 years of age the payment is £73.10 per week, paid fortnightly.

The point at which you can claim ESA is day 1 of your sickness, or when you are told to stay at home (for example, if caring for someone else affected by Covid-19 where you are then told to quarantine the whole household). You do not require (and should not go get) a 'sick note' from a doctor - instead you can obtain an 'isolation note' by visiting NHS111 Online:

<https://111.nhs.uk/isolation-note/>

Unfortunately it appears that you cannot apply for the ESA online; instead you must download the form and fill it in. Normally you would then have to call to arrange a 'new claim appointment' at your local Job Centre - a face to face interview. These are suspended for now; it is likely you will be asked to take part in a telephone interview instead. It is being reported that there are very long (multiple hour) wait times on the Universal Credit telephone numbers, but that people are getting through eventually. The seven day waiting period for new ESA claimants has also been suspended for those affected by coronavirus.

While this payment is less than the £94.25 weekly Statutory Sick Pay payment, you may be able to claim Universal Credit as well, and it seems that you can start claims for both at the same time.

<https://www.gov.uk/guidance/new-style-employment-and-support-allowance>

GOVERNMENT SUPPORT FOR THE SELF-EMPLOYED (updated 21st August 2020)

The Government also has a support scheme for the self-employed (sole traders/freelancers) very like that it offers for Furloughed employees.

There is a link to a Government page which will tell you whether the Government think you are able to claim on this scheme:

<https://www.tax.service.gov.uk/self-employment-support/enter-unique-taxpayer-reference>

<https://www.moneysavingexpert.com/news/2020/04/self-employed-help-coronavirus/#secondgrant>

The original version of the scheme covered three months (March, April and May). It offered a direct cash grant of 80% of your average monthly profit up to a maximum of £7500. Applications for this grant are now closed.

On May 29th it was announced that the scheme would be extended for a further three months (June, July and August), though at a slightly reduced rate (70% of your average monthly profit up to a limit of £6750). Applications for this second grand opened on August 17th, though you may be sent a different date to apply by HMRC. You must complete your application by October 19th. As before, application is through the HMRC website. If the Government believes you are eligible you should receive an email telling you so with a link to apply.

The scheme is available to those with a trading profit of £50,000 or less in the 2018-2019 tax year, or an average trading profit of £50,000 or less across the 2016/17, 2017/18 and 2018/19 tax years, where more than half of income has come from self-employment.

The scheme is open to those already in self-employment, judged as being those who have submitted a self-assessment tax return as self-employed for the 2018/2019 tax year. That return was due on 31st January 2020. The Government allowed those who did not submit their return on time four weeks from 26th March 2020 to submit this return.

Other details of the scheme are:

- the amount paid is based on a monthly average, averaged across trading profit across three year's tax returns. If three years of returns are not available (ie. for those who have only

become self-employed in the last one or two years) the amount will be based on the data available.

- 80% of that average amount is payable, up to a maximum of £2500/month (so £7500 total). For the second set of three months this will reduce to 70% and a maximum of £2250/month (so £6750 total).
- it will only be available to those who have an average trading profit of £50,000 or less per year across the last three years. This scheme is not available to those with an average trading profit above that amount - even £50,000.01 means you will get nothing. Despite much campaigning from many organisations and a number of petitions all pointing out how different is from the Furloughed Workers scheme, which has no such upper limit, this continues to be the case for the second round of this scheme.
- money for the first round is paid in a single lump sum, and money for the second round will probably be handled in the same way.
- applications for the first round opened in May, with payments received by bank transfer a few days after completing the application. Applications for the second round are expected to open in August.
- this is a grant. The payment received will be taxable and count for National Insurance.
- the previously announced deferral of the next tax payment remains in place, so the next payment is not due until 31 Jan 2021.
- if you have work, you can continue to work while claiming this grant (this is different from furloughed workers, who can't do any work for their usual employer while furloughed).
- the self-employed can continue to apply for Universal Credit. Presumably any amount received under this scheme will reduce the amount you qualify for under Universal Credit, however.

- the self-employed can also take advantage of the already-announced Business Interruption Loan scheme and the newer Small Business Bounce Back Loan (though it is being noted that some banks are asking for possessions such as houses to be assigned as collateral to large loans under the first scheme, and that some banks are insisting you have a separate business account to qualify for the second scheme, though most seem to open these accounts quickly if required).
- The application process for the Bounce Back Loan scheme, which offers up to 25% of annual turnover to a maximum of £50,000 seems relatively painless and a high success rate is being reported - the Banks are effectively being paid interest by the Government to give these loans out. All of the interest costs for this loan is covered by the Government for the first year, and you can pay it back at any time. It seems like it would be worth taking one of these loans if you can so you have cash available if required (and have made sure you have it available if the scheme is later stopped before the entertainment business returns to work). Put it in an interest-earning account If you don't need it, pay it back in a year and keep the interest.

It is worth noting that he dropped a pretty clear hint that in return for offering this support to the self-employed, he will be examining the taxation / national insurance system after we all get through this to reduce the discrepancies between what the employed and the self-employed pay.

He also admitted that there will be a small number of people (those brand new to self-employment, for example) that this scheme will not cover. The Government think it will provide support for 95% of all freelancers.

Note that there is still a discrepancy between freelancers and furloughed employees in that there is no upper salary limit for furloughed employees. BECTU, SOLT and others are still campaigning to have this issue resolved:

<https://5e9ac6d6d1d7c1d3c873-231bc887ba818731c2a5e9fd3d771de7.ssl.cf3.rackcdn.com/120419/290320-LTECH-Urgent-Request.pdf>

Note also that Scotland has now set up a self-employed hardship fund for those living in Scotland who don't qualify for the UK scheme, though the original web page for that is no longer available and it is unclear whether that is still available.

UNIVERSAL CREDIT

Universal Credit is the Government's re-design of the welfare system that attempt to bring many different support systems (such as jobseekers allowance, child tax credit, house benefit, income support and more) together into one system. You can check if you are eligible and then sign-up online here:

<https://www.gov.uk/universal-credit>

Universal Credit is available to those earning below a minimum amount, whether freelance or not. There have traditionally been two complications for freelancers in claiming Universal Credit:

- the 'minimum income floor' - an assumed level of earnings based on what the Government would expect an employed person to receive in similar circumstances. This figure is usually the national minimum wage x 35 hours a week. If your earnings were below this notional value, it was the MIF value rather than your actual earnings that would be used to calculate any Universal Credit payment. In the current crisis, the Government has removed the minimum income floor.
- 'gainfully self-employed' - the Universal Credit system wants to be sure that you are really self-employed but having a hard time, rather than just claiming to be self-employed while not working. You will have to provide proof that you are gainfully self-employed. for example by showing invoices and payments received. You should collect this information before starting the application process. Being gainfully self-employed also means that you can continue to seek your own work rather than being made to take other work.

Traditionally new claimants have had to attend an interview with a Work Coach at a local Job Centre. This requirement is currently being waived, though there may be a requirement for a telephone interview. UPDATE 9April20: The Government has now scrapped the requirement for applicants to telephone benefit staff; instead benefit staff will call you if necessary, as reported here:

[https://www.theguardian.com/politics/live/2020/apr/09/uk-coronavirus-live-lockdown-extended-boris-johnson-in-hospital-covid-19-latest-updates - block-5e8f52828f085c6b5b9baa00](https://www.theguardian.com/politics/live/2020/apr/09/uk-coronavirus-live-lockdown-extended-boris-johnson-in-hospital-covid-19-latest-updates-block-5e8f52828f085c6b5b9baa00)

Performer Bridget Walsh on the UK Theatre Coronavirus Facebook support group has been through this process and provides very good information about it here (though this predates the waiving of the need to call in noted above):

<https://www.facebook.com/lovefrombridget/videos/1407774986096595/>

Note in particular her remarks about those processing these applications being caring, supportive but frantically overworked at the moment - make sure you do all you can to make their job as simple as possible!

Payments vary depending on age and circumstance but for a single person over 25 years of age is £317.82 a month, plus about £231 per child for up to two children, plus possibly some support for housing costs. The Government is indicating that these rates will be increased from 8th April 2020. Universal Credit is paid monthly. It has usually taken 5 weeks to receive a first payment but there are indications that payments to new recipients are currently being fast-tracked and receiving an advance on payments much more quickly than that.

Once work does start picking up, you should keep the Government informed of your earnings so that the amount paid to you under Universal Credit can be adjusted. If you do not do this you may have to re-pay overpayments later on.

The three key concerns with Universal Credit are:

- it is assessed jointly with your partner, if you have one. This means that if they are still earning while you are not, the amount you can claim will be reduced.

- it takes into account your savings, again jointly with your partner, if you have one. If you have savings of £16,000 or over you are not eligible for Universal Credit. For any savings between £6000 and £16,000, the amount paid will be proportionally reduced. 'Savings' does not include the value of a property you own, but it does include investments. Complicating this issue for freelancers is that many will be saving money to pay their upcoming tax bill; that amount does count as 'savings' for this. There are suggestions savings for tax payments do not count for this, but it is hard to pin down where, if anywhere, that is formally defined. Similarly those who have saved a deposit to purchase a house, even in a 'Help to Buy ISA' where the money can only be used for this purpose, will find that money counted.

- you should be careful if you still receive payments under the older tax credits system which have not yet transitioned to the new Universal Credit system since the new system may not be to your benefit.

<https://www.equity.org.uk/media/3992/uc-briefing-sheet-2020-current.pdf>

TAX DEFERAL

The Government is deferring the next tax payment, due on 31st July 2020. Note that this payment is still due, but will not be due until 31st January 2021. At the moment the separate payment due on 31st January 2021 will also still be due on that date. However, since your income (and so tax bill) at that point is likely to be much lower you should have a lower payment then and also to have a lower advance payment to make (or be able to ask to reduce your payments on account).

You can, if you want, still make the payment on 31st July 2020. This will protect you from accidentally spending the money before January. But it would perhaps be wiser to find the highest interest paying account you can and store the money there earning interest for six months, though rates for these accounts will generally be very low because of the Bank of England's coronavirus-related interest rate reductions. Having this money accessible may be useful if the shutdown continues for an extended time.

If you are already behind on your tax payments, you should investigate the HMRC's Time to Pay service, which can make special arrangements to help with or catch up on payments. The dedicated Time to Pay service is on 0800 0159 559. Accountants have noted that clients who have used this service have already been granted three month payment holidays.

VAT DEFERAL

If you are VAT registered, the Government has deferred all VAT payments until the end of June. While these VAT remains due, being able to defer payment should help with your cash flow in the short term.

BUSINESS INTERRUPTION LOAN SCHEME

In launching the new support scheme for the self-employed, the Chancellor also indicated that the Business Interruption Loan Scheme the Government had already set-up is also accessible to the self-employed.

This is a loan scheme, with loans of up to £5million available to small businesses, with the Government providing lenders with a guarantee of 80% of each loan and covering the first 12 months of interest payments. These loans will be offered through existing banks and other finance providers, starting from 23rd March 2020. Note some are warning of banks asking for high levels of collateral (eg. your house!) for these loans - read the small print!
<https://www.british-business-bank.co.uk/ourpartners/coronavirus-business-interruption-loan-scheme-cbils/>

Update 28April20: The Government has also just announced an additional 'bounce back' loan scheme for small businesses, designed to be more immediately and easily accessible. It is not immediately clear whether these loans will be accessible to freelancers. Information about these loans can be found here:

https://www.gov.uk/government/news/small-businesses-boosted-by-bounce-back-loans?fbclid=IwAR35f5iSe8i6l1Tu4TaLqLFOZa0_Jj-JFpxQ0B09PFvryS1wrfA4NZiw0dA

OTHER ADVICE FOR ALL

Work will come back: it's unclear at the moment just when, but the advice of those who've already lived through smaller versions of the same situation (eg. those who lived through the 2003 SARS outbreak in Hong Kong) is that normality will return, in time. So really this is about making sure you can survive until then, and much of that really means managing your cash-flow.

THEATRE ARTISTS FUND £1000 GRANTS

(added: 10th July 2020)

There are many people who 'fall through the gaps' in the various support schemes described in the rest of this document - usually by having too much money saved, by being new to freelancing, by having done some, but not enough, work as a freelancer, or having earned too much money over the last three years.

Sam Mendes, the Society of London Theatre and UK Theatre have now set up the Theatre Artists Fund to help such people - theatre practitioners who have been ineligible for Government aid and have not been able to work since theatres closed on 16th March. One-off emergency grants of £1000 are available.

Full details can be found, and applications can be made, here:

<https://www.theatreatists.fund>

The first deadline for applicants has passed, but the Fund has suggested that further rounds of support may be available, but this will depend on the Fund successfully attracting further support beyond the original donation made by Netflix. Lighting practitioners have successfully applied for and received these grants.

If you fall into the category of people this Fund is designed to help, you should apply as soon as possible.

ARTS COUNCIL ENGLAND COVID-19 EMERGENCY FUNDING

(added: 25th March 2020)

On March 24th, Arts Council England announced it was making £160million of emergency funding available to help not just organisations but also people affected by the coronavirus outbreak. The funding for individuals is identified as being for 'artists, creative practitioners and freelancers' and makes up £20million of their total support package. It will take the form of one-off grants of up to £2500 to people who 'have a track record in publicly funded culture',

including directors and designers. Details of the application process are not yet available (as of 25th March 2020), but information will be available here: <https://www.artscouncil.org.uk/covid19>

MORTGAGES

The Government has suggested that those with mortgages should be allowed to take a 'mortgage holiday'. Many mortgage providers do seem to be offering this, in the first instance with mortgage holidays (ie. no payments due) of up to three months. On May 22nd proposals were announced to extend this for another three months, through to 31 October 2020. Arranging this seems to be as simple as calling your mortgage provider and asking for it in many cases, though there may be limitations if you are very new to a mortgage or are already behind on payments.

Note though that interest on your mortgage will continue to accrue even during this mortgage holiday - in other words the total amount you owe to repay the mortgage will continue to increase. When you resume payments you will see this as a slightly higher monthly payment. This will be a small amount per month - but of course a larger amount over the life of the mortgage. If you can afford to continue paying your mortgage it may be more prudent to do so (though your mortgage is usually also your cheapest form of debt, so if you have other more expensive forms of debt, such as overdrafts, bank loans or, particularly, credit card balances, it might be worth taking advantage of the mortgage holiday and using the money from there to pay down those debts - though note that some banks also seem to be offering overdraft holidays now).

The Government has also advised that no evictions should take place during the Coronavirus crisis.

RENT

The issue for renters is more complex, since the landlord you are paying rent to may be paying a mortgage, and may or may not be able to (or want to) obtain a mortgage payment holiday. But if you can't afford to pay your rent, you should start by having a calm conversation with your landlord about whether they might be able to wait for payment or take a partial payment. Some might since it may be more cost effective to do that than to lose a renter and have to find a new renter, particularly at a time when many will have the same problems.

The Government is advising that no evictions should take place for failing to pay rent during the Coronavirus crisis, though it is hard to understand how they will police or control that.

UTILITIES

It is being reported that some utility companies are also agreeing to defer payments for periods of time, though again the payment will ultimately remain due. Call and ask. Suppliers also seem to be putting in place contingencies for those unable to find pre-pay gas or electricity meters.

Common sense here as well: make sure you reduce your power consumption where possible - turn down the heating a little, make sure you turn off lights when no-one's in the room and so on. Keep in mind that while you're at home you will be using more power and so your bills may increase in the short term. If you are on a tariff where you have to submit meter readings, do so regularly so that your supplier does not under- or over-estimate your usage. And as always, if you are not in an existing contract with a supplier, shop around using the many comparison sites now available. The price of electricity and gas is likely to fall in the short term; switching to a tariff offering these lower rates could save you money now but also in the longer term as work returns.

Also keep in mind that you may be able to change tariffs on some services (cable TV, internet, mobile phone) to reduce costs in the short term.

Martin Lewis' MoneySaving Expert site is always a good source of advice on reducing the amount of money you spend on utilities and many other areas of life: <https://www.moneysavingexpert.com>

COUNCIL TAX

It was an unfortunate piece of timing that this was all happening just as this year's council tax bills were being sent out and payments were about to begin. It appears that some Councils are responding positively to requests to defer payments but there is no formal Government guidance on this, and of course deferred payments will still have to be paid in the future.

CREDIT CARDS

Credit card companies are sending out 'we're here to help' emails, but you should check the details of these very carefully - in particular, whether they will continue to charge interest even if they let you delay a monthly payment. Credit card interest rates are normally very high compared to other sources of finance. Avoid the temptation to just start using your credit card for everything and worry about paying it all off when the crisis is over. Given the very low, almost zero, interest rates currently paid on most savings accounts, it would usually be more sensible to use any savings to pay credit card debts or cover living costs, provided you still have enough cash to survive. Alternatively investigate other sources of finance, such as bank loans or fixed term 0%

credit cards, to help you in the short term. Just be sure to pay them off sensibly once normality returns.

<https://www.moneysavingexpert.com/credit-cards/best-0-credit-cards/>

OVERDRAFTS

If you have an overdraft: it seems that a number of banks are offering customers with arranged overdrafts an interest free period. Again, though, you have to call and ask.

MONEY OWED TO YOU

Don't be afraid to chase money you are owed. Yes, everyone is in this together, but if you've done the work you're still owed the money and you shouldn't be afraid to go and get it. Call and email, politely but firmly, reminding them that payment is due when asking when you can expect it. Follow up, regularly.

More complex is work for which you had been booked but which has now been postponed or cancelled. If you have a contract, check its cancellation clause. But this is particularly problematic for all those jobs where there was never a contract, sometimes never even a purchase order, more the usual showbiz 'can you do this' phone call. And there's always that grey area about whether you were booked to 'do the work' (which obviously you now can't) or to 'be available for the time' (which you had committed to). Don't be afraid to call and ask. But also don't be surprised if you end up in a discussion about partial payment, and have in your mind a figure you'd be prepared to accept - particularly if you say you'll only accept that amount if it's paid immediately. And keep in mind that everyone is suffering: they might not have the money to pay you in full, and you'd like them to still exist and be around to employ you when we get over all of this.

Be particularly careful, though, about discussions or contracts where the 'force majeure' argument comes up - that the event is cancelled because of something completely unpredictable. It is arguable that if anything was booked or confirmed after about mid-January, when coronavirus was well established in China and starting to be seen widely in other countries, then that should not apply as this was no longer unpredictable or surprising at that point.

CLAIM THINGS BACK

If a flight has been cancelled on government advice or because airports have been shut down, you should be able to get the price of that flight refunded - contact your airline. Rail and air companies are also sometimes waiving rules about non-transferable or non-refundable tickets even if you just chose not to make the journey. If you have travel booked that you now can't use, make

sure to re-claim it if possible, or at the very least pause it (transferring it into a voucher for future use) so that you can use it later.

Be warned that generally travel insurance policies, even existing policies, will no longer accept coronavirus related claims for trips booked from this point on, again because they possibilities are no longer unpredictable. Newly purchased travel insurance policies will provide no coronavirus cover at all, and some suppliers are currently not selling new travel insurance policies.

SCAMS

Inevitably, a number of scam emails have already started to appear, purporting to be from the Government and saying things like 'click here to collect your free £1000 from the Government' or similar, which then takes you to a link that tries to extract personal or bank information from you. Do not fall for these...

NON-UK CITIZENS

Many non-UK citizens, even those who have lived, worked (and paid taxes) here for a long time, have a visa marked 'no recourse to public funds'. It is unclear what access these people will have to any of the support detailed above, even those specifically introduced or altered in response to Coronavirus. This has become a political issue after it was pointed out to the Prime Minister, who seemed to have no awareness of it (or that it might have applied to the overseas nurses who had helped treat him). The Prime Minister has promised that the Government will look into this, though mainly for those from overseas who work for the NHS.

OTHER WORK

Even though the entertainment industry is largely shut down, other sectors are not - the supermarkets, in particular, have been looking for hundreds of employees in the last few weeks as they struggle to deal with the rush to stockpile food and other supplies. It feels like many of these jobs are not even really being advertised - people report just going into their local branch, asking there and being successful. Pay rates may not be high, but every little helps... Though also keep in mind that any earnings will impact the amount you may be eligible for under Universal Credit or other benefits.

SUMMARY

If you've never been involved with the Benefits system before, don't be afraid to get involved now, if you need to. Remember: to some extent this is your money, money you've been paying in advance over the years as tax and national insurance. And while it's great that it is now being offered to help us all, don't doubt that we'll all end up having to pay it back, one way or another, when some semblance of normality returns. Take advantage of it now!

Let's all keep talking to each other, supporting each other along the way - we have the technology to achieve that. Stay safe through all of this - particularly since it feels like the entertainment sector will be one of the last back to work.

We'll attempt to keep this guide updated as the situation develops. If you have information that could usefully be added to it (or spot errors that should be corrected), please do let us know.

Also remember that you can usefully still spend some time while not working raising attention to the issues the entertainment industry faces going forward - in particular that we might need support while the arts finds its feet again, which is likely to be later than the end of the various Government support schemes. PLASA and others have useful example letters that you can and should adapt to send to your MPs. The more they hear from our sector, the more they will be encouraged to raise the issue with those in charge of money in Government.

<https://www.plasa.org/coronavirus-mp-letter-templates/>

RESOURCES

UK Theatre Industry Coronavirus Support on Facebook:

<https://www.facebook.com/groups/489300505097902/>

Government Find Coronavirus Support For Your Business Page:

<https://www.gov.uk/business-coronavirus-support-finder>

Government Page For Freelancers To Check If They Are Able To Make A Claim:

<https://www.tax.service.gov.uk/self-employment-support/enter-unique-taxpayer-reference>

Freelancers Make Theatre Work Campaign:

<https://www.freelancersmaketheatrework.com>

Equity's Advice Page:

<https://www.equity.org.uk/about/coronavirus-advice/financial-support/>

BECTU's Advice Page:

<https://bectu.org.uk/topic/covid-19-coronavirus/>

Theatre Artists Fund:

<https://www.theatreatists.fund>

Charities Supporting Theatre Workers, via SOLT/UK Theatre:

<https://theatresupport.info>

Association of Independent Professionals at the Self-Employed:

<https://www.ipse.co.uk>

Turn2Us Benefits Calculator:

<https://benefits-calculator.turn2us.org.uk/AboutYou>

Citizen's Advice Bureaux:

<https://www.citizensadvice.org.uk>

MoneySavingExpert - always good advice on all things money-related:

<https://www.moneysavingexpert.com>

The Guardian on benefits and redundancy pay:

<https://www.theguardian.com/society/2020/mar/24/coronavirus-benefits-sick-pay-and-lost-hours-your-rights-in-the-uk>

Useful links from Exeunt magazine:

http://exeuntmagazine.com/features/covid-19-resources-uk-theatre-freelancers/?fbclid=IwAR0qxKbbzCwE5hM6wyv_GnEVSQUxr-ykfsSPRvQVGna7UfbKG-1vu1DR85k

Some advice on working from home for those now having to do so:

<https://www.takecontrolbooks.com/working-from-home/>

All of the Government support schemes for businesses/self-employed:

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-support-for-businesses>

Government Guidance for Employees / Self Employed:

<https://www.gov.uk/Government/publications/guidance-to-employers-and-businesses-about-covid-19/covid-19-guidance-for-employees?fbclid=IwAR19eLZGyd-VWs5kwpWbIrXIoLWxmc8G7MEVdOp68u5yJQwVEu4BkphaR0>

Government tax/benefits helpline: 0300 456 3565

Universal Credit Claims:

Claim online first <https://www.gov.uk/universal-credit/how-to-claim>

0800 328 5644 (Mon-Fri 8am-6pm)

NHS111 Online: <https://111.nhs.uk/isolation-note/>