

businesses in England.

- There will be a small business grant funding of £10,000 for all businesses in receipt of small business rate relief or rural rate relief.
- There will be grant funding of £25,000 for retail, hospitality and leisure businesses with property with a rateable value between £15,000 and £51,000.
- The Coronavirus Business Interruption Loan Scheme will offer loans of up to £5m for SMEs through the British Business Bank.
- A new lending facility from the Bank of England will help support liquidity among larger firms, helping them bridge coronavirus disruption to their cashflows through loans.
- There will be a deferral of the next VAT payment date until June 2020.

What still needs to happen?

Government support has gone some way to protect wages. But there are three important groups missing out who need assistance now.

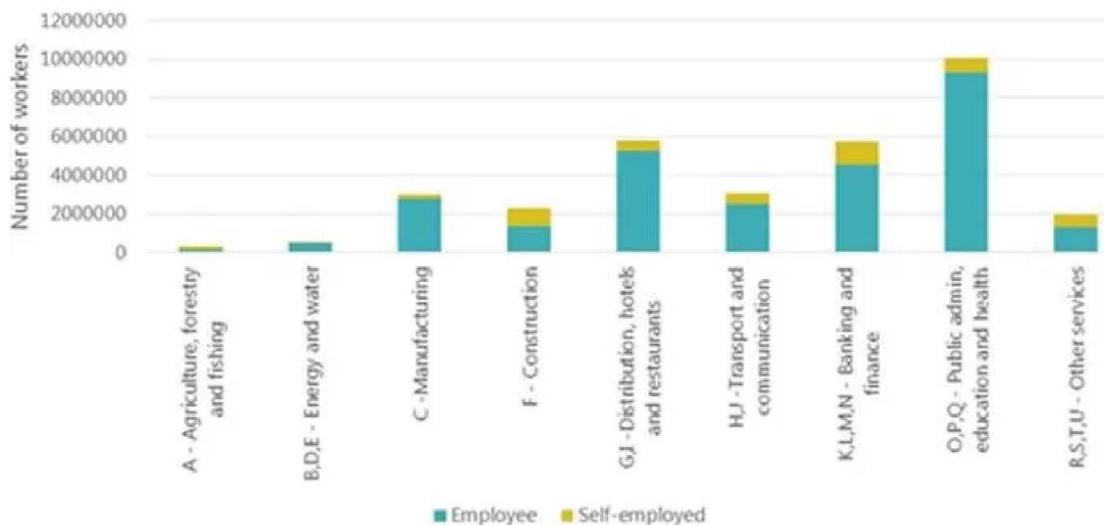
- the self-employed
- those forced to claim sick pay and forced to cope on just £94 a week
- parents who need to stay off work in order to look after their children now schools are closed.

Supporting the self-employed

It is an urgent priority to support the more than five million self-employed people who are not covered by the government's job retention scheme. Measures taken last week – to delay the next self-assessment tax payment and ensure that self-employed people on low incomes can access support up to £94 a week through the benefit system – are clearly inadequate.

Industries with particularly high levels of self-employment include the creative industries (listed here in 'other services'), agriculture, forestry and fishing and construction. These workers must not be left behind. See graph:

Number of workers by Industry sector (employed and self employed)



(<https://www.tuc.org.uk/sites/default/files/graph12.JPG>)

The Federation of Entertainment Unions has called for a guaranteed minimum income to support self-employed people during this period. It believes there are two ways this could be delivered – listed here in order of preference.

1) Guarantee self-employed people a significant percentage of their income based on their last three years of self-assessment income.

We believe that the most effective way to support the self-employed would be to put in place a scheme mirroring the support for employed workers, and guaranteeing at least 80 per cent of income up to a maximum of £2,500 a month.

HMRC already holds significant information about the earnings of the self-employed:

- Every self-employed person using the self-assessment must submit an annual tax return. However, this applies to the previous year’s income, so could be out of date (the deadline for self-assessment is 31 January, relating to earnings up to the 5th of April in the previous year).
- It’s also the case that self-employed people claiming universal credit must submit a monthly assessment of their income.

So, as in Norway, government could extend the job retention wage subsidy to the self-employed, paying at a rate of at least 80 per cent of income based on their previous three year’s self-assessment income.

Grant payments could then be made to self-employed people using their self-assessment tax details (in the same way a repayment would be made to someone who has overpaid tax).