



**COVID-19 SURVEY FOR THE TV INDUSTRY
“FREELANCERS: FIGHTING FOR SURVIVAL”**

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VIVA LA PD

ABOUT VIVA LA PD

Viva La PD is an independent community group set-up in 2017 for Producer / Directors in Television to seek advice and share experiences with peers. Many in the group are also separately members of unions and guilds, but we are not part of any organisational body.

ABOUT THIS REPORT

Our survey revealed interesting results covering a range of issues. However, the scope and scale of this particular report will focus specifically on freelancers who are not currently eligible to support from the government's Coronavirus income schemes, and the reasons why. The first part of the report analyses the numerical data collected within the survey, and the second part gives a voice to those who took part, in their own words.

ABOUT EMPLOYMENT IN TELEVISION

The television entertainment industry depends on freelancers. Most programme makers are employed on a freelance basis on a mix of contract types. But what they have in common is that they involve being taken on for a specific project or programme, for a fixed duration. This can range from days to months, but is usually weeks. Once the project is complete, the freelancer stops working for that production company, and moves on to another project. Freelancers make a living by balancing multiple projects during the year.

The way television freelancers are contracted originated in the 1980s and 1990s, when the industry was deregulated. This saw broadcasters, and then independent production companies shift workers from staff contracts to freelance. This had the consequence of moving the burden of financial risk from the employers to those who work for them.

The way freelancers are hired in Television can be less formal than other industries. Individuals are often engaged verbally in the first instance, sometimes followed up by an email covering start date, rate and job role agreed. This would be formalised subsequently, and sometimes not until the project has commenced, with a written contract.

PART 1

KEY FINDINGS

1. **966 freelancers from all levels of the television industry took part in the survey,** from Executive Producers, right down to entry-level Runners.¹
2. **Only 17% of freelancers interviewed are currently working due to Coronavirus.** The rest have no income, having had their job cancelled (54%), or expected work has dried up (25%).
3. **Just 20% of all freelancers believe that they are eligible to help** from either the Self-Employed Income Support Scheme or the similar Coronavirus Jobs Retention Scheme.
4. **Nearly two-thirds say they are not eligible for any other government support,** including Universal Credit. 1 in 5 of these people are disallowed because they've set aside savings to pay for their Self-Employed tax bill.
5. **Over half of freelancers say they will have to look for a job that offers more stability outside the TV industry** if the current situation extends into June.

¹ 70% of respondents identified as Self-Employed, with 30% responding as Employed. 46% of all respondents identified as being Sole Traders (Schedule D), with 29% PAYE, and 24% Limited Company (Personal Service Company).

KEY RECOMMENDATIONS

Self-Employed Income Support Scheme

- **Ensure parity between the Self-Employed Income Support Scheme and the Coronavirus Jobs Retention Scheme.** Remove the £50,000 cap, creating a universal maximum of £2,500 per month.
- **Allow multiple sources/types of income to be recognised in the Self-Employed Income Support Scheme, specifically including a mix of PAYE / Self-Employment / Dividend Payments from Personal Service Companies.** This will ensure people who fall between the gaps of both schemes are covered and can draw on existing details in tax returns. Access to the Self-Employed scheme would take precedence over the Jobs Retention Scheme for individuals with mixed incomes of this nature, up to a maximum of £2,500 per month.
- **Allow the recently Self-Employed to claim on the Self-Employed Income Support Scheme.** HMRC should welcome and take into account tax returns for 2019-20 filed by May 31st. If fewer than 12 months are covered, take an average monthly income, up to a maximum of £2,500.

Jobs Retention Scheme

- **Extend Furlough scheme to those who were engaged to provide services, but not due to start until after 28th February 2020 and subsequently had their contract cancelled due to Coronavirus.**
- **Extend Furlough scheme to those whose contracts finished just before the cut-off date of February 28th 2020, and allow them to be re-engaged by their employer and placed on Furlough.**
- **Provide confirmation to production companies/PACT (Producers Alliance for Cinema and Television) and advise how they can extend the Furloughed workers scheme to all eligible freelancers.**

SURVEY FINDINGS

On Thursday 26th March, the Chancellor announced the Self-Employed Income Support Scheme with the following words...

“You have not been forgotten, you will not be left behind, we are all in this together”

Rishi Sunak, Chancellor of the Exchequer 26/3/20

Unfortunately the words rang hollow for many freelancers in the Television industry, who suddenly found themselves with no income, and little or no protection from the government. At Viva La PD, we knew that PD's, Producer/Directors, would be particularly affected, as many would not be eligible for money from the Self-Employed Income Support Scheme under the rules announced. We also realised that our more junior colleagues, many of whom are employed on Employee contracts, would also find themselves without any income during this period. So we decided to collect evidence via a survey to see how many freelancers were affected. In total close-to 1000 professionals from across the Television industry took part, from Executive Producers and Line Producers established in their careers to Runners, just starting out.

Due to the way many are employed in television, most people who make programmes are employed on a “project” basis. Once you've made a programme or series, you end your job with one company, and move on to your next one. In their joint letter on the 25th March to the Chancellor, the Public Service Broadcasters explained...

*“The very nature of the freelance community is that they do not have a single anchor employer; **they work for the industry as a whole** across TV and film, which makes them particularly vulnerable in current circumstances and therefore worthy of government support”*

Joint Letter to the Chancellor, signed by the PSBs (BBC/ITV/C4/ViacomCBS/S4C) 25/3/20

Freelancers tend to be employed in three different ways – **Self Employed**, both as *Sole Traders* (often know as “Schedule D”) or *Limited Companies* (also known as Personal Service Company/PSC), and also **Employed** – *PAYE*, usually on fixed term contracts (FTC).

Just **20%** of **all freelancers** identify themselves as being **eligible for financial help** from either of the Government’s emergency Coronavirus schemes designed to help the population through these uncertain times. Our survey said that **just 17% of freelancers are currently working** either full or part time, leaving the rest with no income for the foreseeable future. **96%** of those surveyed **thought help should be coming from the government** in situations such as this.

*“Freelancers estimate they’ll run into financial difficulties in **under 3 months**. But that’ll be too late, as they don’t expect to get back to work for at least **4 months** in current circumstances”*

Viva La PD Covid 19 Survey for the TV Industry

We will now investigate the main reasons the “Forgotten Freelancers” aren’t receiving any help from the government. They fall into 5 main categories: 1) they are Sole Traders who earn over the £50,000 cap imposed by the Chancellor, 2) they are “one man band” Limited Companies who pay themselves through dividends and other means, 3) they became self-employed too recently to have filed a 2019 tax return, 4) they earn over 50% of their earnings through PAYE and aren’t eligible for anything from either scheme, and 5) They are PAYE freelancers who are struggling to be Furloughed.

1 – Sole Traders (“Schedule D”) Freelancers earning just over £50,000

More freelancers are employed on Schedule D contracts than any other type, according to the survey (44%). Of those, just 28% said they were eligible to receive help from the Self-Employed Income Support Scheme, this compares with the “95%” that the Chancellor promised would be covered. He also quoted another statistic on the day, saying that on average, the other 5% of earners had profits of “£200,000”. However, this report can reveal that of those TV freelancers above the £50,000 cap, the majority (60%) made less than £10,000 above it (in fact 85% earned less than £25,000 over). When compared with permanent Employees who have been Furloughed, there is no upper limit on earnings for them. An Employee who makes £200,000 a year is able to receive the maximum £2,500 a month, but a Self-Employed Sole Trader who makes £50,001 will receive £0 from the

scheme. This does not chime with the Chancellor's words when he addressed the nation on March 26th and he said...

“The scheme I have announced today is fair.”

Rishi Sunak, Chancellor of the Exchequer 26/3/20

2 – Limited Companies (PSCs)

Nearly one-quarter (24%) of those surveyed identified themselves as being hired for productions via their own Limited Company. Just 1% of these freelancers said they were eligible to financial support from the government. The remaining 99% understood that they won't get any money, for example, because they don't believe that as a Director of a company, they can Furlough themselves, or that by paying themselves partly in dividends they are automatically excluded. In the confusion about what they can and cannot do, the best they might be able to do is Furlough themselves from their company and claim 80% of their PAYE earnings. At most they could expect under £600 per month by doing this. Many also wanted it on record that they haven't "chosen" to be employed this way to lower their tax liability, but they have been told by production companies or broadcasters that they must be employed this way. They also point out that they pay themselves according to, and within HMRC's own rules, yet feel they are being punished for doing so.

3 – The recently Self-Employed

A smaller, but significant group of freelancers (just under 10%) identified that they wouldn't be eligible for support because they'd too recently become Self-Employed to qualify. They were excluded by virtue of the fact they had not filed a 2019 tax return and the Treasury has identified that this could be open to fraudulent claims. However, as they are now registered as Self-Employed, neither are they eligible to be furloughed by an employer under the Employee scheme.

4 – Freelancers earning more though PAYE than Self-Employed income

One quarter of those not eligible for assistance through the Self-Employed Income Support Scheme identified it was because they earn the majority of their income through PAYE work. An example of this may be a freelancer who has a regular part-time contract, and then tops it up by working extra days elsewhere on a regular basis. These freelancers were specifically excluded in the Chancellor's scheme "to make sure only the genuinely self-employed benefit". The issue with these freelancers, like those identified in category 3, is that the majority fall between the gaps of both schemes, and less than one third (32%) said they are eligible for anything from the Coronavirus Job Retention Scheme on their PAYE income. Several of those 32% who are eligible to be furloughed explained that they have more than one regular job, experiencing difficulty claiming 80% of that income. And since that is 80% of less than half their earnings, often it isn't enough to live on to pay for basic living expenses.

5 – PAYE freelancers struggling to be Furloughed

29% of surveyed freelancers are employed on Fixed-Term Contracts on a PAYE basis. In theory, many should be eligible to be Furloughed, however, **two-thirds** of freelancers employed this way said they were **not getting any income** under the **Coronavirus Job Retention Scheme**. In written responses, many expressed frustration that despite HMRC guidance suggesting they *would* be eligible for Furlough payments, many were not getting it, for example, due to cash-flow issues within the company, which was struggling as a business. There were also a variety of reasons they were struggling to persuade companies to pay them under the Furlough scheme, such as contracts finishing mere days before, or starting days after the deadline.

Common themes emerged from the “Forgotten Freelancers” in all 5 categories. Over two-thirds (71%) said they were “very concerned” about the financial impact the Coronavirus situation would have on them financially. When asked to score out of 5 the impact the current situation was having on their mental health and wellbeing, the average was 4 (5 being “a severe impact”).

Finally, in a sector that has been identified as the fastest growing contributor to the economy (growing at 5 times the rate of the UK as a whole, according to the Creative Industries Federation), this uncertainty could lead to half (50.42%) of surveyed freelancers walking away from the career they have built up, and leaving TV if the current situation carries on for more than 2 months. This would be a blow to the whole TV industry (and potentially subsequently the economy), simply because just 20% of freelancers are eligible to a temporary government income, and the rest struggle to provide for their families and pay for basic necessities.

To cover those who fall between the gaps of the schemes, this report makes the following key recommendations to help each category of freelancer:

1 – Sole Traders (“Schedule D”) Freelancers earning just over £50,000

Ensure parity between the Self-Employed Income Support Scheme and the Coronavirus Jobs Retention Scheme. Remove the £50,000 cap, creating a universal maximum of £2,500 per month.

2 – Limited Companies (PSCs) & 4 – Freelancers earning more though PAYE than Self-Employed income

Allow multiple sources/types of income to be recognised in the Self-Employed Income Support Scheme, specifically including a mix of PAYE / Self-Employment / Dividend Payments from Personal Service Companies. This will ensure people who fall between the gaps of both schemes are covered and can draw on existing details in their tax returns. This would help both those with PSCs who pay themselves a mix of incomes (PAYE as Director of the company / Dividends) and freelancers who have more than one type of income.

Crucially, ALL types of income would be considered from the tax return, and be administered through the Self-Employed Income Support Scheme. This would require the

Self-Employed Income Support Scheme to take precedence over the Coronavirus Jobs Retention Scheme (up to a maximum of £2,500 a month).

3 – The recently Self-Employed

Allow the recently Self-Employed to claim on the Self-Employed Income Support Scheme, based on a Tax Return for Fiscal Year 2019-20, filed by May 31st 2020. If fewer than 12 months are covered, take an average monthly income, up to a maximum of £2,500.

5 – PAYE freelancers struggling to be Furloughed

Extend Furlough scheme to those who were engaged to provide services, but not due to start until after 28th February 2020 and subsequently had their contract cancelled due to Coronavirus.

Extend Furlough scheme to those whose contracts finished just before the cut-off date of February 28th 2020, and allow them to be re-engaged by their employer and placed on Furlough.

Provide confirmation to production companies/PACT (Producers Alliance for Cinema and Television) and advise how they can extend the Furloughed workers scheme to all eligible freelancers. Many PAYE freelancers complain of inconsistency and changing advice, leading to uncertainty.

PART 2

As well as collecting data, we know how important it is to give a voice to those who took part. First, we have identified some key themes that were common amongst the written responses, and secondly we have let freelancers speak for themselves. Despite these being individuals writing their personal stories, these too were typical of answers given.

COMMON THEMES...

GOVERNMENT RESPONSE

- There is a huge sense of having fallen through the gaps of financial support from the government. The TV industry has been forgotten and abandoned due to the way it operates with a mainly freelancer workforce, including Sole Traders, small Ltd companies and short-term PAYE contracts. Many people have had jobs cut short and their next job has fallen through.
- People are having to spend tax savings, house deposit savings and wedding savings to fund their everyday lives.
- The unfairness of having tax savings included in personal savings means a large portion of people are ineligible for any support from Universal Credit.
- Although some people earn just over the 50k threshold it doesn't mean that they have enough savings to survive due to their personal situation. There seems to be a large number of tax payers who have zero support.
- The fact that we are ALL going to have to pay this debt off after this situation is over, why isn't EVERYONE being given support?

TV INDUSTRY

- Many think they have been overlooked and forgotten by an industry that relies on a freelance workforce to run. There are real fears for some people about whether they will be able to still work in TV after all of this ends. They've spent time building a career, but this may mean they have to look for more secure work elsewhere.
- Maternity - lots of people on/coming off/or about to go on maternity leave and are worried about an extended period of time without money coming in.
- Lots are worried about competition in the job market after we are allowed to work again. Flooding the market with a workforce all fighting over limited jobs.

STRESS

- There are extremely worrying levels of stress and anxiety about the future and how people are going to support themselves and their families. Childcare is still being paid, rents are still being paid etc, but the vast majority have zero income coming in.

IN THEIR OWN WORDS...

Some responses have been lightly edited for clarity, spelling and grammar reasons. The number above each is the number allocated by the survey software to identify each responder separately.

PERSONAL STORIES

#301

*I am suffering from depression, and **I'm facing economic ruin. I will have to sell everything I own, and close down my business.** My mental health is suffering, **I've been thinking about suicide.***

#339

*My family are having to round up thousands to keep me afloat. **There have been blazing rows, uncertainty, anxiousness, tears... It's ripped my family apart.** I am honestly starting to **feel suicidal.***

#63

I feel like I want leave the industry. I have worked hard for 10 years, and always paid tax, and now at the moment when I need it the absolute most, I am receiving zero support.

#534

I'm very concerned about feeding my family and keeping the roof over our heads. I'm also concerned how I'll afford to pay for train tickets etc. to get back to work when I'm able to. I don't know what to do.

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#668

I'm seriously thinking about leaving TV all together. I'm looking at retraining and going down a different career path to ensure me and those I love are supported and healthy. This really has highlighted all of the flaws in our industry and right now, it isn't an industry I want any part of.

#946

I am in a very difficult situation as now I have lost my career, my identity and I am having to look after both of my children from home without any help from grandparents. We have next to no money, and our savings will have gone in 3 months time. I only earnt £1,500 over the threshold for the government's payout. It seems so unfair. I'm in a bad place now.

FORGOTTEN BY THE GOVERNMENT

#874

It's unfair, plain and simple. People who are in full time employment are not means tested before getting access to 80% of their salary. It feels arbitrary, and it feels like the government don't give a damn what happens to me. It grates that somehow I am not considered worth supporting when those who are employed, who already have benefits like sick pay and holidays are living as normal, with no financial worries. It is really unfair.

#911

I'm concerned that Jan 2021's tax money will have to be used as 'savings' to live off until work picks up again, and that I will then find myself struggling to pay my tax bill next year.

#122

I cannot get any TV work. I cannot claim JSA due to being self-employed. I cannot get UC because my partner is working still. And my average earnings over 3 years was £51K - so I get nothing. But yet people who have a salary of £200K will get £2500 a month.

OVER THE £50,000 THRESHOLD

#230

I am the sole earner in my family. I have a mortgage and 2 children. As I earned £54k last year I am not entitled to any government support. My wife doesn't work. We are now extremely concerned.

#551

The 50k threshold is very bad... I worked non-stop last year, missing family holidays to support my family as the sole breadwinner, and I exceeded 50k - the two previous years I was under 50k but when I average the last 3 years I'm over by £2,300.... it's gutting.

#537

My wife and I are expecting our first child at the end of July. I was hoping/expecting to work up until that date, now I will finish two months before and may not be able to get more work. My wife is also freelance and out of work at the end of June, so we face potentially becoming parents with a total income of £0. The government's package does nothing to help me because I'm over the £50k threshold.

NOT BEEN SELF-EMPLOYED LONG ENOUGH

#164

To be told I am beyond help due to changing over to Self-Employed 10 months ago is demoralising. If I can't find a way to generate some decent income soon, I don't know what I'll do. I'm already working out what possessions we can sell.

#924

I am now being unintentionally punished for being a freelancer who began in May 2019. I have paid my taxes for years, contributed to society, never been on benefits and somehow now when I need help it is not there for me. I feel invisible, and abandoned by a system I have contributed to faithfully in the past all because I am unlucky enough to have made the decision to go freelance at the time when I did.

VIVA LRD PD

LIMITED COMPANY

#118

I have gone from earning a decent wage, to currently just £560 PCM via PAYE scheme via my Ltd company. I feel completely let down by the government. Others in staff roles on PAYE are being given grants of £2500PCM. I am legally running my single person company, paying tax, but being given just £560PCM. How is this fair? Well, it's not at all.

#815

As a sole director/ one man Ltd Company I feel we have completely been abandoned. Not forgotten. But specifically excluded. I am mentally pretty resilient, but this is giving me sleepless nights. I have 2 children at home, so am not only trying to teach them but also having to look for other work at the same time. There is none. Obviously. Thanks for nothing Rishi.

STRUGGLING TO BE FURLOUGHED

#894

I feel deflated. I feel angry and upset that the chancellor is ignoring the concerns of PAYE freelancers. I think it's outrageous that we are being expected to beg our employers to furlough, many of whom aren't doing so. I cannot understand why they see us as 'employees' simply because we're paid through the payroll. We're still freelancers. We absolutely deserve to be supported properly for our hard work and I feel the only fair way to do this would be by including us in the self-employed grant. That way we would all receive what we're due, no less no more. This virus has turned my career upside down. I may need to leave my home in London and move back in with my family which isn't ideal because one of them is vulnerable.