



## **COVID-19 Self Employment Income Support Scheme: Impact on Junior Barristers – Summary**

### **The Self-Employed Income Support Scheme**

1. The self-employed income support scheme (**SEISS**) aims to support self-employed people whose businesses have been affected by COVID-19 and the lockdown.
2. However, under the eligibility criteria, the most recently self-employed are excluded because: (1) they do not have 18/19 tax returns; or (2) they have 18/19 tax returns which show a majority of employed income from previous employment.

### **The Most Junior Barristers Excluded**

3. The most recently self-employed at the Bar are current first-year tenants i.e. barristers who started their ‘second six pupillage’ and commenced trading on 1<sup>st</sup> April 2019 and finished pupillage by October 2019. They are the most junior members of the Bar.
4. Most first-year tenants are excluded from SEISS because they have 18/19 tax returns which: (1) show a majority of employment income from that tax year; and / or (2) show zero or negligible self-employed income due to them starting trading on 1<sup>st</sup> April 2019, just five days before the end of the tax year.
5. They have been excluded from SEISS on a technicality, despite being the most vulnerable and precarious members of the Bar. They generally earn the least, have the least savings, and are most reliant on hearings (rather than paperwork) for income so are disproportionately affected by the closure of the courts. Furthermore, they *would otherwise be eligible* because: (1) the vast majority or all of their income is from self-employment; and (2) they likely earn far below the £50,000 threshold.
6. This is likely to have a disproportionate impact on those with protected characteristics under the Equality Act 2010 because: (1) first-year tenants are generally the youngest members of the Bar; and (2) female and BAME barristers, who are overrepresented in the lowest earning areas of practice, will likely be the most adversely affected.

### **The Solution: 19/20 tax returns or ‘19/20 tax returns plus’**



7. There is an extremely simple solution to this problem: **allow first-year tenants (and all of the most recently self-employed) to rely on their 19/20 tax returns.**
8. The 19/20 tax year ended last month, on 5<sup>th</sup> April 2020. This means that 19/20 tax returns will be completely up-to-date and date and give a true reflection of a person's current earnings. The 18/19 tax returns are, by definition, out of date by over a year.
9. Alternatively, the government should **allow first-year tenants to rely on their 19/20 tax returns which have been verified** by their Chambers, Inn of Court, or the Bar Council ('**19/20 tax returns plus**'). The Bar Council has proposed this solution.

### **The Right Thing to Do & No Real Risk of Fraud**

10. The government has refused to allow the recently self-employed to rely on their 19/20 tax returns as this would increase the 'fraud risk'. There are two problems with this.
11. *First*, if the government is really committed to doing 'whatever it takes' to help people, then it should take this risk to provide critical support to the most recently self-employed. It could easily take steps to address this risk once the crisis is over e.g. through HMRC compliance investigations of those who received a SEISS grant.
12. *Second*, the 'fraud risk' is overblown and not a real risk. This is because: (1) most people are honest and very unlikely to artificially increase their trading profits to secure a higher grant; and (2) anyone who does this **will also increase their tax liability.**

### **What You Can Do**

13. We are asking MPs to support junior barristers and ask the government to extend SEISS to the most recently self-employed. As an MP, you will know how best to do this. The most effective step might be **to write to the Lord Chancellor and Chancellor.**
14. David Lammy MP, Shadow Justice Secretary, recently raised this issue in his article in the New Statesman [here](#).
15. Furthermore, the Bar Council, in their '[MakeTheCase](#)' campaign are asking barristers to write to their MPs about this issue. They have recommended that the government expand the types of evidence to be eligible for SEISS i.e. to include first-year tenants.