

Right Honourable Boris Johnston PM
10 Downing Street
London
SW1A 2AA.

Wednesday 10th February 2021

Dear Prime Minister,

A Tidal Wave of Tax Debt that will sink the Events Industry.

I write to you today to bring your attention to a major issue that could have dire and final implications for those involved in the creation of the UK's most recognised festivals, sporting, regional, and cultural events.

As President of the National Outdoor Events Association (NOEA), I represent the fortunes of hundreds of companies who supply major events. We hope the events industry will be back on its feet this summer, with our industry 'bell curve' starting in May and with peaks in June, July, August and early September.

Sadly, most of these events cannot operate this year with the level of social distancing currently being enforced, reducing occupancy numbers will in effect make these events commercially unviable. You will, I am sure, already be seeing some of the major event casualties beginning to fall from this year's season, with events as late as June choosing not to take the risk and instead cancel for yet another year.

For those events that can continue this summer, the work of organising needs to start now, and these businesses will need to be paid. Usually, this finance will come in deposits, typically 10% of the cost of the contract, with the remainder due after the event later in the summer. Unfortunately, this means that for the first six months of their return to business, these companies will be operating with no capital.



At the same time, they will be walking into a tidal wave of costs, including increased staff costs for those coming off furlough, tax bills that have been deferred from last year, and that will become due in the spring (this will include VAT and PAYE), as well as the associated national insurance and pension costs. Finally, many of these businesses will have their own creditors who will also need paying.

Against this will be a mountain of debt and the legal implications of not being able to pay back monies; in short, HMRC alone could put many companies in the events industry under before they have had a chance to bill or pay back a penny.

As it stands, many of our members are still not able to get their hands on the relief grants this government has promised them, and those that have are now in the unenviable position of not being able to pay them back before their peak trading begins.

Working with our members, we have developed the following set of requests, and ask that these form part of a specific support programme that is developed and executed in partnership with the events industry and for those businesses that most need it.

- Furlough needs to be continued until at least the end of December 2021.
- Staff employed up to 31st December 2020 to be allowed to go on furlough.
- Employers National Insurance and Pension contributions to be suspended until December 2021.
- Repayments of PAYE and VAT owed to HMRC to be deferred to December 2021 with the outstanding amounts turned into a loan payable over 10 years.
- The repayment of Bounce Back Loans and Coronavirus Business Loans taken out in 2020 to be deferred to April 2022.
- Business rate relief to be continued for 2021/2022 as of the new financial year in April 2021.
- Event Industry companies & Event Suppliers should also qualify for Business Rates Relief
- The 5% level of VAT made available to event organisers through ticket sales, to be made available to event suppliers.
- Confirmation of a start date for the event industry. If this needs to be put back, this should be on a fortnightly basis from 1st May 2021.
- Further grants required now that we have lost events until July.

- The recently agreed Events insurance commitment, underwritten by the government, to be in place and covering any delay to the event industry 'start date'.
- Devolved administrations to synchronise their plans with Westminster government.

I urge you to consider these points and address them each in turn. The events industry is on its knees and cannot survive the amount of debt it has incurred over the last 12 months. It needs a season of trading, employing staff and generate revenue for themselves and the economy before it can make good these commitments, but most crucially we are needed to keep people safe and secure as they again begin to congregate in larger groups.

Yours faithfully,



Tom Clements Dip.ESM

President

Email: president@noea.org.uk

Copied via email to:

Members of Parliament | Devolved Leadership:

- Rt Hon Nicola Sturgeon, First Minister, Scotland
- Rt Hon Mark Drakeford, First Minister, Wales
- Rt Hon Arlene Foster, First Minister, Northern Ireland
- Rt Hon Oliver Dowden MP, Secretary of State for Digital, Culture, Media and Sport
- Rt Hon Rishi Sunak MP Chancellor of the Exchequer HM Treasury
- Theresa Villiers MP (Chair of the All -Party Parliamentary Group for Events)
- Robert Langan MP (Member, All -Party Parliamentary Group for Events)
- Robert Seely MP (Member, All -Party Parliamentary Group for Events)
- Owen Thompson MP (Member, All -Party Parliamentary Group for Events)
- Andrew Slaughter MP (Member, All -Party Parliamentary Group for Events)
- Stephen Hammond MP (Member, All -Party Parliamentary Group for Events)
- Rachel Hopkins MP (Member, All -Party Parliamentary Group for Events)
- Debbie Abrahams MP (Member, All -Party Parliamentary Group for Events)



- Mark Menzies MP (Member, All -Party Parliamentary Group for Events)
- Julian Knight MP, Chair of the DCMS Committee
- Caroline Dinenage MP, Minister of State for Digital and Culture

Industry Associations:

- Association of Show and Agricultural Organisations
- Association of Festival Organisers
- Association of Independent Festivals
- Business Visits & Events Partnership
- Production Services Association
- Professional Lighting and Sound Association
- The Nationwide Caterers Association
- Night Time Industries Association
- The Events Industry Forum

Civil Servants:

- Tom Dammers, DCMS
- Jon Davies, DCMS
- Sheila Pardoe, DCMS
- Alexandra Gillespie, DCMS
- Nicole Huggins, DCMS
- Tom Rodden, DCMS
- Pak ling Wan, DCMS