EQUITY

Equity Submission – Call for evidence: How should the level of support offered by Universal Credit be decided?

September 2026

About

1. Equity is the largest UK creative industries trade union with 50,000 members united in the fight for fair terms and conditions across the performing arts and entertainment. Our members are actors, singers, dancers, designers, directors, models, stage managers, stunt performers, circus performers, puppeteers, comedians, voice artists, supporting artists and variety performers. They work on stage, on TV and film sets, on the catwalk, in film studios, in recording studios, in night clubs and in circus tents.

2. The majority of work undertaken by Equity members is conducted through short-term contracts with limb (b) employment terms, where workers are treated as self-employed for tax and national insurance purposes. A minority of work is contracted as classically self-employed and there are an even smaller number of employees in our industries. On average, Equity members earn £15,270 per year from industry work.

Summary

3. We are submitting a response relating to elements of the system that are specific to Equity's membership and so are not providing a comprehensive response on Universal Credit (UC) adequacy as we are certain that there will be comprehensive evidence submitted from colleagues across the sector.

4. Whilst issues of adequacy urgently need addressing, for Equity's members there are elements of the design of the UC system for the self-employed that would continue to have significant detrimental financial impacts even if levels of support were to increase. The impact of the application of the Minimum Income Floor (MIF) on the awards of low-income self-employed claimants can be devastating

Contact

For more information about this submission, please contact Amelia Pratt, Policy & Public Affairs Assistant, apratt@equity.org.uk

2.	**Can you share any insights on the impact of this subsequent adequacy on any of the following areas** • ***the system's ability to enable households to avoid financial crisis and the government's commitment to end the mass dependence on emergency food parcels?*** • ***communities and public services?*** • ***the system's ability to support households to stay in or progress in employment?*** • ***the system's ability to support people to recover from work limiting ill-health?*** • ***the standard of living and financial security enjoyed by recipients?*** • ***other elements of the UK's social security system?***

5. The level of support provided by UC is wholly inadequate. As noted by the Joseph Rowntree Foundation, support levels provided by the standard allowance (in 2026/27 £90/week for a single person and £152/week for a couple) sit below recognised destitution thresholds (£105/week and £160/week respectively) and all levels have been allowed to erode over time (JRF, 2026 quoting Ayed and Bramley, 2026). JRF estimate that the amount needed to afford essentials in 2026/27 amounts to £120/week for a single adult and £205/week for a couple (JRF and Trussel, 2026).

6. Whilst issues of adequacy urgently need addressing, for Equity's members there are elements of the design of the UC system for the self-employed that would continue to have significant detrimental financial impacts even if levels of support were to increase. The impact of the application of the Minimum Income Floor (MIF) on the awards of low-income self-employed claimants can be devastating.

7. The majority of work undertaken by Equity's members in the arts and entertainment industry is conducted through freelance, 'limb (b)' employment terms, with workers treated as self-employed for tax purposes. As such, members are also considered self-employed for the purposes of UC. Work in the industry is often project-based and short-term with average engagements in theatre lasting just a few months and those in film and tv often being for a week or less. Engagements in commercials and audio can often be for just a single day.

8. The MIF is designed to address the circumstances of someone in traditional self-employment and, therefore, does not respond the realities of those engaging in project-based, low- and fluctuating-income work, such as that in the performing arts and entertainment industry. During months of low or no earnings, the MIF can have a devastating financial impact for those working in the industry who also rely on UC support.

9. The MIF is applied to a claimant's entire UC award, meaning that its impact is far more severe than sanctions for work non-compliance. Higher level sanctions apply only to the standard allowance element of the award, protecting UC payments for the household whilst those subject to the MIF can suddenly find themselves with no support. For example, a claimant who fails to engage with any work-related conditionality is still better off than someone who has had the MIF applied. A higher-level sanction applied to a single jobseeker with £500 rent would result in a monthly payment of around £500. Applying the MIF would result in a UC payment of £92.

10. Research with Equity members shows the devastating impact of the MIF on claimants' abilities to afford food, housing and pay for utilities. 41% of respondents subject to the MIF told us that they had gone without food or utilities, 46% had been unable to pay their bills and 5% had had to leave their homes (University of Warwick for Equity, *Not Here to Help*, 2024). One member told us that the effect of the MIF was 'Devastating! Had to turn to a food bank for 8 months as I had no income and no support from Universal Credit'. Members told us that they have had to pawn jewellery and go into debt simply to be able to buy food and one member described their experience of having had to leave their home due to the impact of the MIF:

    'I no longer have my own accommodation as this is not something I can afford. I live out of my car. And the offer of others to sleep on their couch or spare bed for a couple of nights … I rely on free car parks (which there are not many), and public bathrooms. Arts venues which offer free studio space are another space I rely on – finding somewhere to work from, keep warm, and charge equipment' (Equity, Not Here to Help, 2024)

11. The financial hardship caused by the MIF means that, when the 12-month start-up period ends and the MIF is applied many Equity members find themselves forced out of the labour market. Casework with members shows that they are faced with are often entering non-industry, 'low skilled' employment or for those with pre-existing health conditions or disability turning to the work capability assessment to seek limited capability for work status. For those who pass the WCA, with no conditionality or the financial hardship of the MIF, they are then able to seek work in the industry again.

12. The design of the MIF means that workers in the creative industries who rely on support from UC are often not able to focus on their careers or progress in employment due to the severe financial impacts of having the MIF applied.

13. While the MIF has 12-month start-up period so that those beginning their self-employed careers have time to find their footing, its impacts can be felt at any point during a career. DWP research shows that many of those who encounter difficulties earning their MIF are those with established careers who have encountered a setback which has impacted their ability to maintain their earnings (DWP, 'Exploratory qualitative research into the early experiences of the Minimum Income Floor', 2024). Casework with Equity's members supports this, with many cases being with mid or late career workers who have faced a chance in circumstances affecting their earnings. Due to the MIF, claimants in these circumstances can find themselves driven into financial hardship by the design of the social security system that is supposed to provide a safety net.