

Commercial Rent (Coronavirus) Act 2022

2022 CHAPTER 12

PART 3

MORATORIUM ON CERTAIN REMEDIES AND INSOLVENCY ARRANGEMENTS

23 Temporary moratorium on enforcement of protected rent debts

- (1) Schedule 2 contains—
 - (a) provision preventing a landlord who is owed a protected rent debt from using the following remedies in relation to (or on the basis of) the debt during the moratorium period—
 - (i) making a debt claim in civil proceedings;
 - (ii) using the commercial rent arrears recovery power;
 - (iii) enforcing a right of re-entry or forfeiture;
 - (iv) using a tenant's deposit;
 - (b) retrospective provision in relation to certain debt claims made by such a landlord before the start of the moratorium period for the protected rent debt;
 - (c) provision relating to the right of such a landlord during the moratorium period to appropriate any rent paid by the tenant;
 - (d) retrospective provision in relation to the right of such a landlord to appropriate any rent paid by the tenant before the start of the moratorium period for the protected rent debt;
 - (e) provision connected with certain things mentioned in paragraphs (a) to (d).
- (2) In this section "the moratorium period", in relation to a protected rent debt, is the period—
 - (a) beginning with the day on which this Act is passed, and
 - (b) ending—
 - (i) where the matter of relief from payment of the protected rent debt is not referred to arbitration within the period of six months beginning with that day, with the last day of that period, or

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- (ii) where that matter is referred to arbitration, with the day on which the arbitration concludes.
- (3) Subsection (2) is subject to any extension of the period mentioned in paragraph (b) (i) that—
 - (a) is made by or by virtue of section 24, and
 - (b) has effect in relation to the protected rent debt.
- (4) For the purposes of subsection (2)(b) an arbitration concludes when—
 - (a) the arbitration proceedings are abandoned or withdrawn by the parties,
 - (b) the time period for appealing expires without an appeal being brought, or
 - (c) any appeal brought within that period is finally determined, abandoned or withdrawn.
- (5) In this section "arbitration" means arbitration under Part 2.

24 Alteration of moratorium period

- (1) In this section "extension regulations" means regulations under section 9(3) extending the period allowed by section 9(2) for making references to arbitration.
- (2) Where extension regulations made by virtue of section 9(3)(a) or (c) extend that period in the case of English business tenancies, the period specified in section 23(2)(b)(i), so far as it applies in the case of a protected rent debt under an English business tenancy, is extended for the same period of time.
- (3) Subsection (4) below applies where extension regulations made by virtue of section 9(3)(b) or (c) extend that period in the case of Welsh business tenancies.
- (4) The Secretary of State may by regulations made by statutory instrument extend the period specified in section 23(2)(b)(i), so far as it applies in the case of a protected rent debt under a Welsh business tenancy, for the same period of time.
- (5) Regulations under subsection (4) must provide for the extension referred to in that subsection—
 - (a) to have effect for the purposes of this Part including the purposes of Schedule 2, or
 - (b) to have effect for the purposes of this Part other than the purposes of Schedule 2.
- (6) The power to make the provision referred to in subsection (5)(a) is exercisable only with the consent of the Welsh Ministers to the extension having effect for the purposes of Schedule 2 other than the purposes of paragraph 3(6) and (7).
- (7) A statutory instrument containing regulations under subsection (4) is subject to annulment in pursuance of a resolution of either House of Parliament.

25 Temporary restriction on initiating certain insolvency arrangements

- (1) This section applies where the matter of relief from payment of a protected rent debt has been referred to arbitration.
- (2) During the relevant period—

Status: This is the original version (as it was originally enacted).

- (a) no proposal for a company voluntary arrangement under section 1 of the Insolvency Act 1986 which relates to the whole or part of the debt may be made,
- (b) no proposal for an individual voluntary arrangement under section 256A of that Act, or an application for an interim order under section 253 of that Act, which relates to the whole or part of the debt may be made, and
- (c) no application for a compromise or arrangement under section 896 or 901C of the Companies Act 2006 (court orders for holding of meetings) which relates to the whole or part of the debt may be made.
- (3) In this section "the relevant period" means the period beginning with the day on which an arbitrator is appointed and ending with—
 - (a) where the arbitrator makes an award in accordance with section 14, the day which is 12 months after the day on which that award is made,
 - (b) where the arbitrator makes an award dismissing a reference under section 13(2) or (3), the day on which that award is made,
 - (c) where an award made in accordance with section 14 is set aside on appeal, the day on which that decision is made, or
 - (d) where the arbitration proceedings are abandoned or withdrawn by the parties, the day of that abandonment or withdrawal.
- (4) This section, so far as relating to a company voluntary arrangement and a compromise or arrangement under section 899 or 901F of the Companies Act 2006, applies to limited liability partnerships (as well as to companies).

Temporary restriction on initiating arbitration proceedings

- (1) The tenant or the landlord under a business tenancy may not initiate arbitration proceedings (other than an arbitration under Part 2) in relation to a protected rent debt during the moratorium period for the debt, unless the other party agrees.
- (2) In this section "the moratorium period" has the meaning given by section 23(2).

27 Temporary restriction on winding-up petitions and petitions for bankruptcy orders

Schedule 3 contains temporary provision in relation to winding up petitions and petitions for bankruptcy orders.