



Commercial Rent (Coronavirus) Act 2022

2022 CHAPTER 12

PART 2

ARBITRATION

Arbitration awards

14 Arbitrator's award on the matter of relief from payment

- (1) This section applies where the arbitrator is considering how to resolve the matter of relief from payment of a protected rent debt as required by section 13(5).
- (2) Before determining what award to make the arbitrator must consider any final proposal put forward to it by a party under section 11.
- (3) Where both parties put forward final proposals under section 11—
 - (a) if the arbitrator considers that both proposals are consistent with the principles in section 15, the arbitrator must make the award set out in whichever of them the arbitrator considers to be the most consistent;
 - (b) if the arbitrator considers that one proposal is consistent with the principles in section 15 but the other is not, the arbitrator must make the award set out in the proposal that is consistent.
- (4) Where only the party making the reference to arbitration puts forward a final proposal under section 11, the arbitrator must make the award set out in the proposal if the arbitrator considers that the proposal is consistent with the principles in section 15.
- (5) Otherwise, the arbitrator must make whatever award the arbitrator considers appropriate (applying the principles in section 15).
- (6) An award under this section may—
 - (a) give the tenant relief from payment of the debt as set out in the award, or
 - (b) state that the tenant is to be given no relief from payment of the debt.

Status: This is the original version (as it was originally enacted).

- (7) Where an award under subsection (6)(a) gives the tenant time to pay an amount (including an instalment), the payment date must be within the period of 24 months beginning with the day after the day on which the award is made.
- (8) In subsection (7) “the payment date” means the day specified in the award as the day on which the amount concerned falls due for payment.
- (9) An award giving the tenant relief from payment of a protected rent debt is to be taken as altering the effect of the terms of tenancy in relation to the protected rent constituting the debt.
- (10) Subsection (9) means, in particular, that—
- (a) the tenant is not to be regarded as in breach of covenant by virtue of—
 - (i) non-payment of an amount written off by the award, or
 - (ii) failure to pay an amount payable under the terms of the award before it falls due under those terms;
 - (b) a guarantor of the tenant’s obligation to pay rent, or a former tenant who is otherwise liable for a failure by the tenant to pay rent, is not liable in respect of anything mentioned in paragraph (a)(i) or (ii);
 - (c) a person other than the tenant who is liable for the payment of rent on an indemnity basis is not liable—
 - (i) to pay any unpaid protected rent written off by the award, or
 - (ii) to pay an amount payable under the terms of the award before it falls due under those terms;
 - (d) any amount payable under the terms of the award is to be treated for the purposes of the tenancy as rent payable under the tenancy.
- (11) In this section “final proposal” means—
- (a) the revised formal proposal put forward by a party under section 11(4), or
 - (b) if there is no revised formal proposal put forward by a party, the formal proposal put forward by the party under section 11(1) or (2).