

# Business evictions ban extended until March

- Business eviction ban extended until the end of March 2021
- Review of commercial landlord and tenant legislation to be launched
- Builds on the extra £280 billion government support for businesses during the pandemic

Business owners affected by the pandemic will be protected from eviction until the end of March 2021, Communities Secretary Robert Jenrick announced today (9 December 2020).

The majority of commercial landlords have shown flexibility, understanding and commitment to protect businesses during an exceptionally challenging time.

This final extension to protections from the threat of eviction will give landlords and tenants 3 months to come to an agreement on unpaid rent. The government is clear that where businesses can pay any or all of their rent, they should do so.

Further guidance to support negotiations between landlords and tenants will also be published shortly.

The move will also support businesses worst affected by the pandemic, such as bars and restaurants, helping them to rebuild over the winter period. This is in addition to putting in place one of the world's most comprehensive economic responses to protect jobs, incomes, and business throughout and beyond this pandemic.

Alongside this, Mr Jenrick has also announced a review of the outdated commercial landlord and tenant legislation, to address concerns that the current framework does not reflect the current economic conditions.

This review will consider how to enable better collaboration between commercial landlords and tenants and also how to improve the leasing process to ensure our high streets and town centres thrive as we recover from the pandemic and beyond.

Today's announcement builds on the extra government support for businesses, including targeted VAT cuts, extension of government-backed loan schemes, grants of up to £3,000 for premises that must close, and £1.1 billion for councils to enable them to support businesses in their area.

Overall the government has committed a package of over £280 billion of support for businesses and employees this year and the Chancellor has confirmed an additional £55 billion for next year.

Secretary of State for Housing Rt Hon Robert Jenrick MP said:

I am extending protections from the threat of eviction for businesses unable to pay their rent until March 2021, taking the length of these measures to one year. This will help them recover from the impact of the pandemic and plan for the future.

This support is for the businesses struggling the most during the pandemic, such as those in hospitality – however, those that are able to pay their rent should do so.

We are witnessing a profound adjustment in commercial property. It is critical that landlords and tenants across the country use the coming months to reach agreements on rent wherever possible and enable viable businesses to continue to operate.

Business Secretary Alok Sharma said:

We have stood by businesses across the country throughout this pandemic, and as we head into the New Year we will make sure they continue to have the support they need to keep their finances stable, protect jobs and build back better.

There is still some uncertainty ahead, but knowing that they won't be evicted by their landlord will give thousands of business owners some breathing space and the additional confidence they need to plan for their futures.

Further guidance to support tenants and landlords to continue to work together to agree rent payment options where businesses are struggling will be published shortly.

Additional guidance published early next year will sit alongside the government's Code of Practice, published in June, to encourage all parties to work together to protect viable businesses and ensure a swift economic recovery.

The government will also extend insolvency measures on restricting statutory demands and winding up petitions until the end of March.

The restriction on landlords using Commercial Rent Arrears Recovery (CRAR) to recover unpaid rent will also automatically extend to the end of March, in line with the moratorium's expiry date. This allows businesses sufficient breathing space to pay rent owed.

In addition to the measures extended today, the government has also committed a package of over £280 billion of support for businesses and employees, including loans, rates relief and grants for businesses:

The review of review of commercial landlord and tenant legislation will be launched early next year and will consider a broad range of issues including the Landlord & Tenant Act 1954 Part II, different models of rent payment, and

the impact of Coronavirus on the market.

A temporary measure introduced by the Corporate Insolvency and Governance Act restricting the use of statutory demands and winding-up petitions, which was due to expire on 31 December 2020, has been extended to the 31 March 2021.

This will continue to help protect companies from aggressive creditor enforcement action as a result of coronavirus related debts and give breathing space to companies to negotiate or restructure.