

Report Stage: Wednesday 12 January 2022

Commercial Rent (Coronavirus) Bill

(Amendment Paper)

This document lists all amendments tabled to the Commercial Rent (Coronavirus) Bill. Any withdrawn amendments are listed at the end of the document. The amendments are arranged in the order in which it is expected they will be decided.

This document should be read alongside the Speaker's provisional selection and grouping, which sets out the order in which the amendments will be debated.

Seema Malhotra Ruth Cadbury NC1

To move the following Clause—

"Review of awards

- (1) The Secretary of State must no later than three months following the day on which this Act is passed conduct a review to assess whether sections 15 and 16 of this Act have been interpreted consistently by approved arbitration bodies.
- (2) In conducting a review under subsection (1), the Secretary of Secretary shall have regard to published awards.
- (3) If a review under subsection (1) identifies material inconsistencies in the interpretation of sections 15 and 16 of this Act, the Secretary of State must issue further guidance or amend existing guidance to arbitrators about the exercise of their functions under the Act."

Member's explanatory statement

This new clause would require the Secretary of State to conduct a review of awards to assess whether sections 15 and 16 of the Act have been interpreted consistently and publish or amend guidance as necessary.

Paul Scully

1

Clause 2, page 2, line 19, leave out sub-paragraph (2) and insert—

"(ii) which is a fixed amount or an amount that varies or may vary according to the relevant costs (or a combination of the two),"

Member's explanatory statement

This amendment clarifies that the expression "service charge" includes any amount payable under the terms of a tenancy for something mentioned in clause 2(2)(c)(i), whether it is a fixed amount or a variable amount (or a combination of a fixed part and a variable part).

Paul Scully 2

Clause 2, page 2, line 22, leave out from "costs" to "in" and insert "includes costs incurred by the landlord in connection with insuring against loss of rent or"

Member's explanatory statement

This amendment clarifies that the costs of insurance against loss of rent are within the expression "service charge", in addition to insurance costs relating to the demised premises and any common parts.

Seema Malhotra 9 Ruth Cadbury

Clause 2, page 2, line 40, at end insert—

"(6) Notwithstanding subsection (5), the provisions of this Act shall extend to a business tenancy irrespective of whether the property comprised in the tenancy is occupied by the tenant."

Member's explanatory statement

This amendment broadens the definition of business tenancy to cover arrangements in which the property is not occupied by the tenant.

Seema Malhotra 13
Ruth Cadbury

Clause 7, page 5, line 19, at end insert—

"(2B) The Secretary of State must ensure that bodies approved under subsection (1) have sufficient numbers of arbitrators (whether alone or as a member of a panel of arbitrators) required to conduct arbitrations under this Part."

Member's explanatory statement

This amendment would require the Secretary of State to ensure that the approved arbitration bodies collectively have sufficient capacity to hear all arbitrations under this Part.

Seema Malhotra Ruth Cadbury

10

Clause 9, page 7, line 7, leave out from "beginning" to the end of line 8 and insert "25 March 2022"

Member's explanatory statement

This amendment revises the period for a reference to arbitration to be made in order that it is consistent with the Code of Conduct.

Paul Scully 3

Clause 10, page 8, line 12, at end insert "(as well as to companies)."

Member's explanatory statement

This is a drafting amendment to make clear that clause 10(6) (which applies provisions of the clause to LLPs) operates in addition to the rest of the clause

Seema Malhotra 14
Ruth Cadbury

Clause 11, page 8, line 21, leave out "supporting evidence" and insert "any evidence relevant to the proposal."

Member's explanatory statement

This amendment would require a formal proposal put forward under this section to be made on an open-book basis.

Seema Malhotra Ruth Cadbury 15

Clause 17, page 11, line 13, after "practicable" insert "and no later than 14 days"

Member's explanatory statement

This amendment would require awards in arbitrations which do not have an oral hearing to be made within 14 days.

Seema Malhotra Ruth Cadbury 16

Clause 19, page 12, line 6, replace "may" with "must"

Member's explanatory statement

This amendment would require the Secretary of State to make regulations specifying limits on arbitration fees.

Seema Malhotra Ruth Cadbury 11

Clause 19, page 12, line 13, before "When" insert "Subject to 6A,"

Member's explanatory statement

This amendment is consequential to Amendment 12.

Paul Scully

4

Clause 19, page 12, leave out lines 14 to 18 and insert "(subject to subsection (5A)) also make an award requiring the other party to reimburse the applicant for half the arbitration fees paid under subsection (4).

(5A) The general rule in subsection (5) does not apply if the arbitrator considers it more appropriate in the circumstances of the case to award a different proportion (which may be zero)."

Member's explanatory statement

This amendment clarifies that the rule in the current clause 19(5)(a) (that the party paying the arbitration fees is to be reimbursed half of the amount) is the general rule, although the arbitrator is able to determine a different proportion, including zero, where appropriate.

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Paul Scully

Clause 19, page 12, line 19, leave out "Otherwise" and insert "Except as provided by subsection (5) and section 20(6),"

Member's explanatory statement

This corrects a small error in clause 19(6). The word "Otherwise" at the start of clause 19(6) currently refers back to clause 19(5), but it also needs to take account of the provisions of clause 20(6) which makes provision corresponding to clause 19(5) for oral hearing fees.

Paul Scully 6

Clause 19, page 12, line 19, at end insert —

"(6A)Legal or other costs incurred in connection with arbitration (including arbitration fees) are not recoverable by virtue of any term of the business tenancy concerned."

Member's explanatory statement

The amendment clarifies that arbitration costs are not recoverable under a tenancy term enabling recovery of enforcement costs relating to a breach of covenant under the tenancy. The parties' rights and obligations in relation to arbitration costs are governed by clauses 19 and 20.

Seema Malhotra 12
Ruth Cadbury

Clause 19, page 12, line 19, at end insert—

- "(6A) When the arbitrator makes an award under section 13 or 14, the arbitrator may also make an award requiring that a party at fault pays costs which it has caused the other party to incur.
- (6B) For the purposes of 6A, a party is at fault where the arbitrator considers that the conduct of the party before or during the proceedings is unreasonable or improper".

Member's explanatory statement

This amendment would empower the arbitrator to make an adverse costs award where the arbitrator considers that a party has acted unreasonably or improperly.

Paul Scully 7

Clause 20, page 12, leave out lines 36 to 40 and insert "(subject to subsection (6A)) also make an award requiring the other party to reimburse the applicant for half the hearing fees.

(6A) The general rule in subsection (6) does not apply if the arbitrator considers it more appropriate in all the circumstances to award a different proportion (which may be zero)."

Member's explanatory statement

This amendment clarifies that the rule in the current clause 20(6)(a) (that the party paying the oral hearing fees is to be reimbursed half of the amount) is the general rule, although the arbitrator is able to determine a different proportion, including zero, where appropriate.

Paul Scully 8

Clause 24, page 14, line 37, at end insert "(as well as to companies)."

Member's explanatory statement

This is a drafting amendment to make clear that clause 24(4) (which applies provisions of the clause to LLPs) operates in addition to the rest of the clause.

Paul Scully 18

Page 15, line 33, leave out clause 28

Member's explanatory statement

The responsible Northern Ireland minister has informed Her Majesty's Government that the powers to be conferred by clause 28 are no longer needed. This amendment would omit the clause, which would otherwise require the approval of a Legislative Consent Motion in the Northern Ireland Assembly.

Paul Scully 19

Clause 30, page 16, leave out lines 14 and 15

Member's explanatory statement

The reference in clause 30(2) to clause 28 is no longer correct if clause 28 is left out of the Bill. The rest of clause 30(2) (which provides that Part 4 of the Bill extends to the whole of the UK) is reproduced in Amendment 20, so the whole of clause 30(2) can be omitted.

Paul Scully 20

Clause 30, page 16, leave out lines 18 and 19 and insert—

- "(a) in section 24—
 - (i) subsections (1), (2)(c) and (3), and
 - (ii) subsection (4) so far as relating to a compromise or arrangement under section 899 or 901F of the Companies Act 2006,
 - (b) Part 1 so far as relating to the provisions mentioned in paragraph (a), and
 - (c) this Part."

Member's explanatory statement

This amendment and Amendment 21 secure that clause 24(4) extends to Northern Ireland in relation to company compromises and arrangements, but not company voluntary arrangements. This is for consistency with the extent of the legislation covering those matters.

Paul Scully 21

Clause 30, page 16, leave out line 21 and insert—

- "(a) in section 24—
 - (i) subsection (2)(a), and
 - (ii) subsection (4) so far as relating to a company voluntary arrangement,"

Member's explanatory statement

See the explanatory statement for Amendment 20.

Seema Malhotra Ruth Cadbury 17

Schedule 2, page 19, line 6, leave out sub-sub-paragraph (a)

Member's explanatory statement

This amendment would extend the debt claims over which a party could apply to the court for the proceedings to be stayed to claims made before 10 November 2021.

Order of the House

[24 November 2021]

That the following provisions shall apply to the Commercial Rent (Coronavirus) Bill:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

- 2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 16 December 2021.
- 3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Proceedings on Consideration and Third Reading

- 4. Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.
- 5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
- 6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill may be programmed.