

**IN THE MATTER OF AN ARBITRATION PURSUANT TO THE
COMMERCIAL RENT (CORONAVIRUS) ACT 2022.**

CI Arb Case Ref: DAS-01382-P4G6C

**AN IN THE MATTER OF AN ARBITRATION
BETWEEN:**

A

Applicant

AND

R

Respondent

FINAL AWARD

CONTENTS

Introduction..... 2
Dispute Arbitration and Party Settlement Agreement.....2
Costs.....3
Final Award.....4

To maintain consistency this Award will, so far as possible and unless otherwise stated, utilise the terminology and abbreviations used by the Parties.

INTRODUCTION

1. The seat and applicable law of this Arbitration is England and Wales. The parties agree the arbitrator is to conduct the arbitration in accordance with the provisions of the Commercial Rent (Coronavirus) Act 2022 (“CRCA” or “the Act”) and where relevant the Arbitration Act 1996.
2. I was appointed as Arbitrator on 20 March 2023 by the Chartered Institute of Arbitrators (“CI Arb”) being an “approved arbitration body” as provided in the Act.
3. Procedure. This is a statutory arbitration within the meaning of section 94 of the Arbitration Act 1996 (the 1996 Act). The statutory framework governing this arbitration is contained in the CRCA and the Arbitration Act save where amended by the CRCA.
4. The Applicant is A (“the Applicant”) of xxxxxxxxxxxx, represented by Mr XXXXXXXX.
5. The Respondent is R (“the Respondent”) of xxxxxxxxxxxx, represented by Mr XXXXXXXX.
6. The property to which the dispute relates is xxxxxxx. By a lease dated 21 May 2001, the Respondent is the Landlord, and the Applicant is the Tenant of the premises.

DISPUTE, ARBITRATION AND PARTY SETTLEMENT AGREEMENT

7. The dispute relates to the parties’ failure to agree relief from payment of rent during the protected period as provided in the CRCA.
8. On 13 September 2022 A requested the appointment of an arbitrator by CI Arb under its Commercial Rent Debt Arbitration Scheme and I was appointed by CI Arb on 20 March 2023.
9. Following my appointment, on 21 March 2023 I provided the parties with my Terms of Engagement as Arbitrator and invited the Applicant to provide the “written statement” referred to in the application to CI Arb.
10. On 24 March the applicant provided the Written Statement dated 5 September 2022 and Section 10 Notice and Section 11 Proposal.
11. On 4 April 2023, not having heard from the Responding party I issued Directions in relation to the assessment as to viability.
12. On 26 April the Applicant advised the parties were in direct contact and had agreed provisional terms. I responded and pointed out that if this resulted in a settlement of the

dispute (and therefore agreement of Relief from part or all of the Protected Rent) the arbitrator is required by the Act to record the settlement in an agreed award and then terminate the arbitration, whether or not an award is requested by the parties. I invited the parties to provide an agreed draft Award for my approval.

13. Later that day Mr XXXXX for the Respondent indicated “*We would hope to send you something by the end of next week*”,

14. On 9 June 2023 Mr XXXXX advised:

“ I apologise for the delay.

The parties have agreed terms (subject to contract) as follows:

- 1. The agreed protected rent debt is £X (incl vat).*
- 2. The parties have agreed to share these costs equally.*
- 3. The Respondent will waive one half.*
- 4. The applicant will pay one half by way of xx equal monthly instalments.*

We are very close to documenting.

XXXXXX”.

15. On 28 June in response to my email indicating my intention to issue a Final Award if I did not receive the agreed draft award within 7 days, Mr XXXXX responded,

“ I apologise for the delay. The parties have broadly agreed the documentation. The final numbers are

- 1. The agreed protected rent debt is £X (incl vat) comprising rent of £X, service charge of X and insurance of £X.*
- 2. The parties have agreed to share these costs equally.*
- 3. The Respondent will waive one half comprising £X.*
- 4. The Applicant will pay their half of £X by way of xx equal monthly instalments beginning.*

A final award incorporating these agreed terms would be greatly appreciated, thank you”.

16. On 4 July Mr XXXXX confirmed the figures and the settlement (subject to JV partner approval which was provided on 14 July 2023), and xx monthly instalments of £X from 1 July 2023.

COSTS

17. Section 19 of the Act deals with arbitration fees and expenses. S.19(4) provides the Applicant must pay the arbitration fees in advance of the arbitration taking place. The Applicant has paid the fees to CI Arb.

18. S.19(5) and (6) provides for the Respondent to reimburse the Applicant for half the arbitration fees unless the arbitrator considers it more appropriate in the circumstances of the case to award a different proportion (which may be zero) – S.19(6)

19. Subject to the specific provisions of the Act, Section 61 of the Arbitration Act 1996 applies, and costs should be awarded on the usual principle and follow the event except where in the circumstances this is not appropriate in relation to the whole or part of the costs.

20. In CRCA arbitration, the parties meet their own legal and other costs, and the cost exercise for the arbitrator is limited to the arbitration fees.
21. In this arbitration the parties have not asked me to make an award as to payment of the arbitration costs and this justifies a departure from the general rule in S.19(5). Accordingly, the Respondent is not required to re-imburse any part of the arbitration fixed fee paid by the Applicant.

FINAL AWARD

I make the following Final Award by consent:

- (a) The agreed protected rent debt is £X (incl vat) comprising rent of £X, service charge of £X and insurance of £X.**
- (b) The parties have agreed to share these costs equally.**
- (c) The Respondent agrees to grant the Applicant relief and waive one half of the agreed protected rent debt comprising £X.**
- (d) The Applicant will pay their half of £X in xx monthly instalments of £X from 1 July 2023.**
- (e) No award as to costs. The Respondent is not required to make a payment to the Applicant Respondent in relation to fixed arbitration costs as provided by S.19(6) of the CRCA 2022.**

This Final Award is made in Westergate, West Sussex, UK on 20 July 2023

Signed

Charles L Brown. LLB. FCI Arb.

Chartered Arbitrator.