**Protected Rent Debt (PRD)**

Guidance Document 4

(JAN 2022)

**What alternative options exist?**

***Fate***, you can take your chances and wait and see if your landlord simply forgives you the rent you owe them and or waives any rights to forfeit your agreement. (Highly uncertain - high risk)

***Closure***, agree surrender (this may be appropriate for those with unviable businesses), if you are considering abandoning the premises without agreement do note that this might not stop the debts from accruing.

***Take insolvency action in the courts to ring fence debts***–if you enter an IVA or CVA you cannot use the legislation. Insolvency can affect lease rights or other commercial relationships you hold i.e. with your bank or suppliers. Insolvency is often expensive and inflexible, (say) the situation changes for the better you cannot change the arrangement and are stuck with it.

***Consider a different form of arbitration*** *–* for example the Chartered Institute of Arbitrators offer a fixed fee service for parties under its Pandemic Business Dispute Resolution Service

***Consider*** one off full and final settlement rather than use the legislation (i.e., a lump sum offer – may not be affordable).

***Make a “family arrangement*** “or propose a debt plan to your landlord including any other creditors that you owe money (these are flexible, affordable plans and low cost to set up). These can provide breathing space and leave you free to change your mind and try something else later.

**Use the legislation**

***DIY the arbitration***, represent yourself, however you cannot claim your costs from your year end and will be unable to consult with an impartial person as to the issues you need to consider.

***Get representation in the Arbitration*,** use someone experienced with statutory arbitration, you can claim the costs and get to benefit from the experience of many other cases that may precede yours and strategies to gain the best possible outcome for you and your business.

Protected Rent Debt Service are offering representation in this commercial rent arbitration process, unfortunately there is no funding available, but you can claim your costs as a legitimate business expense. The team behind Protected Rent Debt has a long track record in winning statutory arbitrations and has extensive expertise not only with the development of business legislation (including this legislation where we acted as stakeholders) but with rent setting and commercial debt advice, setting up family arrangement. If you are after independent advice free from vested interests, then we can help you.