

Moratorium on statutory demands extended for commercial landlords



The UK Government has recently announced some transitional measures to extend the restrictions on the use of winding up petitions. These measures come into force on 1 October, and are due to last until 31 March 2022, thereby tying the [existing restrictions](#) on the use of forfeiture and CRAR.

The key take-away from a landlord or tenant's perspective is that serving a statutory demand to threaten the presentation of a winding up petition for non-payment of rent arrears or other sums due under business tenancies effectively remains 'off the table' for this period.

Although disappointing for landlords, this extension was generally expected.

The particular frustration for landlords however is that the restrictions on presenting winding up petitions for non-rent debts are not as tight (for example, the threshold for serving statutory demands has increased to £10,000), meaning that tenants may feel pressured to prioritise payment of other debts over rent.

Landlords are left with comparatively limited options for the time being, although the expectation under the [Code of Practice](#) of course remains for landlords and tenants to work together constructively to address outstanding rent arrears.

How we can help

If you'd like advise on a rent dispute please contact our [property disputes](#) team.



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