



Department for  
International Trade



Department for  
Business, Energy  
& Industrial Strategy

Lord Grimstone of Boscobel, Kt  
Minister for Investment  
Department for International Trade  
Old Admiralty Building  
London  
SW1A 2BL

Delegated Powers and Regulatory Reform Committee  
House of Lords  
London  
SW1A 0PW

T +44 (0) 20 7215 5000  
E [grimstone.correspondence@trade.g  
ov.uk](mailto:grimstone.correspondence@trade.gov.uk)  
W [www.gov.uk/dit](http://www.gov.uk/dit)

1 March 2022

Dear Lord McLoughlin,

### **COMMERCIAL RENT (CORONAVIRUS) BILL**

I am writing in response to the Delegated Powers and Regulatory Reform Committee's report published on 3 February 2022, regarding the Commercial Rent (Coronavirus) Bill ("the Bill").

My letter dated 8 February 2022 acknowledged our gratitude for the Committee's consideration of the Bill.

Clause 27 was highlighted by the Committee. This delegated power gives the Secretary of State the power to make regulations that provide for the Bill "to apply again in relation to rent debts under business tenancies affected by closure requirements".

The Committee considered clause 27 to contain an inappropriately broad delegation of power and raised a concern that clause 27(3) would allow regulations to alter the arbitration scheme.

I have carefully considered the Committee's report on clause 27. The Government remains of the view that there is a clear rationale for the purpose and intended use of the power, which is to address any future periods of coronavirus-related mandated business closures.

However, it is not the intention of the government to alter the policy of the Bill through secondary legislation. I have therefore tabled amendments to clause 27, to be moved at Report stage, to address the Committee's concerns about the breadth of the delegation of power in clause 27(7) (previously 27(3)).

These amendments will remove the power to specify provisions which are not to be re-applied, limit the power to make modifications to allow only for modifications necessary for the correct operation of re-applied provisions, and limit the power to make different provision to allow different provision for England and Wales. As such, clause 27, as amended, would continue to allow for targeted modifications, which is important to accommodate new dates of future closure periods, and make adjustments that may be needed to moratorium

provisions where they relate to particular periods, to take account of a new time frame. As amended, there would still be power to make different provisions for England and Wales, and to make incidental, supplemental, consequential, saving, or transitional provisions.

As before, exercise of the power in clause 27 will be subject to the affirmative procedure.

I am grateful to the Committee for scrutinising the Bill's powers. I believe that the purpose of the clause 27 power continues to be pertinent. As such, I hope that the Committee agrees that the amended power is now appropriate and proportionate.

I will be placing a copy of this letter in the library of the House of Lords.

A handwritten signature in black ink, appearing to read 'Grimstone'.

**Lord Grimstone of Boscobel, Kt**  
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