



21.04.2020

KEY ANNOUNCEMENTS

Health Secretary Matt Hancock led this afternoon's government briefing in which he announced that human trials of a vaccine for COVID-19 are due to take place in the UK this Thursday.

Mr Hancock appeared with England's deputy chief medical officer Professor Jonathan Van-Tam, and Professor John Newton, national co-ordinator of the UK Coronavirus testing programme.

The main announcements this evening were:

- A vaccine is seen as the best way to defeat Coronavirus in the long run and the UK has put more money into the global search for a vaccine than any other country. Today the government made £22.5m and £20m available to Imperial College and the University of Oxford respectively for their work on developing a vaccine.
 - The vaccine from the University of Oxford project will be trialed in people in the UK from this Thursday.
- The government is increasing efforts to reply to those UK companies that have responded to its appeal to manufacture personal protective equipment (PPE) domestically. It is currently working with 159 potential UK manufacturers and continues to source PPE from around the world.
- Mr Hancock accepted the invitation for the UK to participate in the EU's PPE scheme when it came to him, although he is unaware of the scheme having delivered any PPE as yet.
- The Scientific Advisory Group for Emergencies (SAGE) gave further consideration today to whether facemasks should be worn by the public. It is due to give its advice on the matter to ministers shortly.

- Testing capacity is now above 39,000 tests per day and the government is piloting schemes such as home testing and mobile delivery to get tests to frontline workers and care home workers and residents who may not have straightforward access to the test centres.
- The government cannot rule out that some COVID-19 cases will have been spread by pre-symptomatic/asymptomatic people, but the majority of transmission in the community comes from people with symptoms.

Elsewhere in COVID-19 news....

Minister Michael Gove confirmed at the weekend that pubs would be among the last businesses to re-open when the current lockdown measures are reduced. With some reports now suggesting that up to a third of the hospitality sector will be at risk if forced to remain closed until Christmas, several high street restaurant chains, including Burger King UK, as well leading hospitality trade association UKHospitality, have reportedly asked the chancellor for a nine-month rent holiday during the Coronavirus crisis.

Meanwhile, motor insurance company Admiral has announced that it will be making payments to some of its customers in light of the reduced use of motor vehicles brought about by Coronavirus.

LEGAL IMPLICATIONS

BUSINESS

1. Can businesses be forced out of their properties for non-payment of rent?

As we have previously reported, Section 82 of the Coronavirus Act 2020 (“the Act”) protects commercial tenants by preventing landlords from forfeiting a lease or re-entering premises for the non-payment of rent until 30 June 2020. However, this end date can be extended if the government deems it necessary.

Now that the government is beginning to discuss what form the release of the lockdown may take, and given the grave concerns raised by the hospitality industry following the suggestion by ministers that it will be one of the last business sectors to re-open, one would expect ministers to already be giving thought to the suitability of the 30 June end date.

However, commercial tenants are reminded that they remain liable for their rent even if they are unable to pay it at this time, and that, as matters stand, a landlord will be able to seek forfeiture of the lease, et cetera, for rent arrears following the end of June.

[Further information on the ban on evictions for commercial tenants](#) who miss their rent payments is available online on the GOV.UK website.

2. Will motor insurers offer refunds?

Admiral has today announced that it will automatically pay £25 to anyone with a car or van insurance policy with it (the customer must have had a policy on or by 20 April 2020).

Admiral has pitched this as a goodwill gesture to say “thank you” to its customers for staying at home. However, should it actually be a legal obligation for insurers to refund customers for insured vehicles that they are currently not using?

Millions of vehicles are remaining idle on streets and in driveways as people are severely limited in where they can travel to. This has led to an understandable argument from customers that they should be allowed to pause their insurance during the lockdown and until they are allowed to use their cars freely again.

However, as reiterated by the Association of British Insurers (“ABI”), it is a legal requirement to have insurance under the Road Traffic Act 1988, unless of course drivers apply for a SORN. Unless the government introduces emergency legislation to change this requirement (which is highly unlikely) drivers will need to continue paying their insurers to keep their vehicle insured as required by law.

The ABI have though encouraged insurers to be flexible with their customers in helping them where needed by offering them partial refunds or delayed payment schemes. Therefore, as is the case in many industries at the moment, customers can only hope for insurers to provide them with some much needed relief rather than having any legal basis to force them to.

With the significant drop in claims though one would expect other insurers to follow Admiral’s lead in using those newly attained profits to benefit their loyal customers at this time.

DISCLAIMER

The above is not intended to be legal advice. Specialist advice should be sought for individual cases where necessary.

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