

Charity Property and COVID-19

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Part of our **National Property Education Programme** funded by City Bridge Trust & Tudor Trust

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Welcome to today's webinar.

Who are we?

- ✓ The UK property advice charity for the voluntary sector. Founded in 2004
- ✓ We offer free property advice, training and online resources as well as affordable consultancy.
- ✓ We work with an in-house team and our Register of Property Professionals
- ✓ Since 2015 - sole referral partner to the Charity Commission for land & property advice.

www.propertyhelp.org



Thank you for joining us!

In this session you will receive:

- Tips
- Sources of Information
- Live Q&A via email.

Remember:

Covid-19 has changed life for a lot of charities. Do download our free [COVID-19 advice sheet](#) on our website where this presentation will also be available.



Our Covid-19 Charity Property Survey.

Over the past 10 days we have conducted a quick survey on the impact of COVID-19 on charity buildings - 32 voluntary groups responded.

- The COVID-19 Pandemic has caused an interruption to 90% of charities use of their premises.
- Over 35% of charities have lost revenue through the closure of properties visited by the public.
- Over a quarter of charities have had a loss of rental income (if they rent out a property).
- The vast majority of respondents have requested either a rent reduction, deferment or holiday but are still negotiating with their landlords.



Coping with Covid: First of all... are you still using your premises?

If you are not, make sure....

- They are secure
- They are locked
- The water is turned off
- The heating and hot water have been adjusted
- To take meter readings
- To lock up valuable items
- Inspect your premises periodically and record what you have.

If you are not using them...

- Notify utility companies that the premises is empty so that usage is reduced and costs are at a minimum (i.e. stop estimated bills coming in).



Thinking about Rates & Rates Relief?

- Your situation will depend on the size of the rateable value.
- Check you are paying the minimum rates and make sure you apply for all other business reliefs.
- Check whether you are eligible for a discount/ or waiver on your business rates due to Covid-19.
- This is changing rapidly so check the Government's [website](#).



It's good to talk...to your landlord!

- If you are a tenant/ licensee/ occupier NOW is the best time to talk to your landlord. Don't wait.
- Discuss your property concerns and let your landlord know if you think you will be unable to pay rent.
- Ask for a rent-free period rather than a deferment
- Tell them if the premises are unoccupied



And talk to your tenants too.

If your charity is a landlord:

- Are you in receipt of rent?
- Is the tenant trading/occupying the property?
- Plan for a reduction in rent.
- Talk to your tenants – remember they are your partners.



If you are continuing to occupy your premises...

- Put a notice on the door. Provide contact details – more than one - mobile/ phone/ email/ landline.
- Tell your insurance company immediately. This applies whether you are an owner or tenant.
- Check your insurance policy to ensure that you remain covered and what is covered – in the coming months.
- Check your cover for business continuity if you cannot trade.
- Remember to rewrite the relevant Health and Safety risk assessments to include the risks caused by Covid-19.



Managing social distancing

- If you are still occupying your premises and people are coming in (e.g. staff, volunteers and clients), issue guidance about how to work, social distancing measures and sanitation.
- Reconfigure the space to keep a 2m distance.
- Clean your premises regularly, issue personal protective equipment as appropriate; and provide hand sanitizers around the premises.
- Put notices at entrance on social distancing & keep updated on the latest [Government advice](#) to ensure that you are within UK guidelines



Use your time usefully in the lockdown

- Use this period to think about how you might change your use of the premises after this difficult period is over.
- What worked well?
- What worked less well?
- Mitigate risks going forward
- Consider new ways of working/ reaching beneficiaries
- Check up on employee wellbeing.
- How will the working world change and how could your charity make the future work for your community & cause?





Charity Property Matters Survey 2020

Since 2012 we have been carrying out valuable research on charities and their property issues.

**The only UK property research run for charities by a charity.
Fill in our 2020 Survey today – takes just 6 minutes.**

**Click the VISIT SURVEY link at the top of our home page
www.propertyhelp.org**

<https://propertyhelp.org/@epf4charities>

Thank you for joining us!

Contact us if you need property advice.

- Email - mail@ethicalproperty.org.uk
- Website - www.propertyhelp.org
- Phone - 01923 378603
- Twitter - [@EPF4charities](https://twitter.com/EPF4charities)
- LinkedIn – [Ethical Property Foundation](https://www.linkedin.com/company/ethical-property-foundation)

- Book your free place at our webinars scheduled for May & June:
[*Successful Premises Management & Negotiating & Managing Your Lease*](#)



Q&A

- Our centre is closed but the cleaner wants us to pay 1/3 of the usual bill as a sign of goodwill. Can we ask them to clean maybe once a week during this time? Usually they clean 7 days **You should start by checking the terms of the contract and if you are going to vary ensure this is in writing and that any variations will finish once the lockdown is lifted. Subject to that you can agree any variations that you wish to agree.**
- Do you have any advice for tenants whose lease is due to expire in the next 6-9 months. Our lease is due to expire in March 2021 and we are concerned that a second lockdown will render a search, negotiate and move logistically challenging and divert valuable resources from other recovery tasks. Of course we can seek a lease extension with our existing landlord. But this may not be affordable, so we need a plan B (other than working virtually for a longer period). **Please refer to our website which has a link to a guide for tenants and also sign up for the May webinar on negotiating commercial leases . In short you have plenty of time to negotiate a new lease in terms of searches assuming the lockdown finishes in say another 2-3 months but should consider a plan B which will included looking for alternative premises and as a back up ensuring all staff can work remotely in case you have to do so for a short period.**
- Do you have any advice as to who to talk to if landlord is a local authority? Is it the finance team? **You should speak to the managing agents to whom you pay your rent or the Estates department if the LA manages the property itself.**



Q&A

- We have already asked our landlord if we can get a rent reduction or free period and they have declined. Are there any new rules that would apply to enable us to be more assertive or is this purely discretionary? **This is purely subject to negotiation there is no obligation on landlords to agree a rent reduction - have you checked if your insurance policy covers business interruption?**
- Would ethical property (as landlord) be able to organise a deep cleanings of the premises or would this be a tenants/occupier liability? **This will depend on the terms of the lease but is more likely to be a landlord obligation for the whole building and it may be able to recover the cost via the service charge.**
- I had understood that leases cannot be forfeited for nonpayment of rent until June - is this correct? If so, what are the implications if the landlord is unable to afford to allow this? **There is a 3-month moratorium on forfeiture but landlords could still sue for breach of contract and charge interest if you have not reached an agreement with your landlord on deferring rental payments. It is best to contact your landlord and come to some form of agreement.**

