



**Gray's Inn Hardship** Working Group  
Consolidated Terms of Reference

Background

1. During the period of Covid 19 disruption, it is possible that some tenants of the Inn (whether Commercial or Residential) will seek some relief from their rent obligations. **For those members of the Inn who have not 'held a brief' and are thus not entitled to be included within the BBA scheme (e.g. Pupils and students), the Inn also wishes to try to offer relief where it can.** In order to assess such requests fairly and equitably, a Hardship Working Group (HWG) has been established by the Inn and it will undertake that assessment on behalf of the Management Committee. These TORS cover the composition of the HWG, its procedures and the information which will be required from applicants to enable the HWG to complete such assessment. For ease of reference, those tenants which are sets of Chambers and Commercial Tenants are collectively described below as "Tenants" and residents of the Inn are described as "Residents".

Financial

2. Each Inn is financially structured differently according to their strategic priorities. For **Gray's**, it is education and we support the *Gray's Inn Charitable Trust* which funds education, the Library and the Chapel and any surplus income is annually transferred to our *Scholarship Trust*; this Trust can only be used to support scholarships and hence it is a one-way street and we cannot withdraw funds from it for other purposes. We have no material financial reserve and no investment portfolio. Our ability to provide any financial assistance must therefore be drawn from our annual revenue which is overwhelmingly dependent upon rental income from the Estate.
3. There has been a significant impact upon our 2020 revenue through the cancellation of commercial events, particularly those held in the Marquee. We also have pre-existing commitments, along with the other Inns, to financially support the new Inns of Court College of Advocacy (ICCA) Bar Course which commences in September as well as the ongoing major construction project at 19/21 High Holborn.
4. These factors reduce our in-year capacity and influence the extent of the financial assistance the Inn is able to provide to our tenants, residents and members of the Inn seeking assistance due to hardship

Composition

5. The HWG will comprise:
  - Vice Treasurer – Chair

- Master of Finance
- COIC Trustee
- Master of Administration
- Lucinda Orr
- Harpreet Sandhu
- Under Treasurer – Secretary

They will consider requests individually and meet as they may decide, on-line, to consider their response to each request.

### Tenants

6. (1) A Tenant applying for rent relief will make their submissions to the Management Committee through the Under Treasurer and all submissions will be treated in the strictest confidence and viewed only by the HWG.

(2) The Director of Estates and Director of Finance will each be advised by the Under Treasurer of the identity of any Tenant applicant and given a description of the essential terms of the application being made, including in particular the length and nature of any deferment or other relief sought. For the avoidance of doubt neither Director will be provided with any confidential information supplied in support of any such application. Promptly after receipt of such information each such Director will respond to the Under Treasurer in writing setting out any information considered to be material to the application and / or providing any comment upon or assessment of such application, including its potential effects upon the finances of **the Inn and good management of the Inn's estate.**

(3) Tenants will be expected to provide evidence that they have explored all other avenues of financial relief reasonably available before approaching the Inn, including financing from members of Chambers and / or the principals and /or shareholders, borrowing from banks and / or other commercial lenders and /or financing from any scheme or arrangement offered by HM Government.

(4) A Tenant shall supply in support of its application the information set out below and any further information as it may wish, that is at least as follows:

- a. A set of its latest Annual Financial Statements (whether audited or not) and also, where kept, the most recent 2 months of any Management Accounts which it keeps.
- b. A copy of its current annual budget and a projected cashflow statement for at least the next 12 months with details of all material assumptions made.
- c. The dates when payments of rent due for 2018 and 2019 were actually made.

- d. Where the applicant is a set of Chambers, details of the individual receipts for each Member of Chambers (i) during the period of the Annual Financial Statements provided under (a) above and (ii) for each month since the end date of such Financial Statements (for the avoidance of doubt, if necessary the name of any particular Member may be concealed provided each such person is identifiable by a unique designation of some sort e.g. Mr A /Ms B etc.).
- e. Details of the total of the aged debt including the identity of debtors and for Chambers, the aged debt for each Member of Chambers (with barrister name withheld, if necessary, upon the same basis as above).
- f. Details of all steps or measures which Tenants are taking to reduce expenses and outgoings and to access funds from other sources including for example, HM Government, banks and other lending institutions.
- g. Where the applicant is a set of Chambers then details of how the senior and / or financially better-off Members of chambers are seeking to protect the younger and / or more junior Members and those who can only practise part-time by reason of health or family responsibility. For any other Tenant, details of how the principals and / or persons liable to contribute to the funding of such Tenant are seeking to protect the younger and / or more junior participants therein and those who can only practise part-time by reason of health or family responsibility
- h. An up to date statement of measures being taken and proposed to be taken by the Tenant and its Members or its principals and / or persons liable to contribute to the funding of such Tenant to improve **the Tenant's** financial position.
- i. A proposal as to the amount of rent and / or instalments of rent sought to be deferred, how it is proposed that such deferred rent will eventually be paid and the period over which it is to be paid.
- j. For the avoidance of doubt, any rent review **provided for under the Tenant's** lease will continue in the usual way and on the due date but with the revised rent then being subject to the deferment if agreed.

(5) Any copy documents supplied will be returned or destroyed at the later of the end of the HWG's consideration of the application or any review of the HWG's decision.

- 7. Members of the HWG will be provided by the Under Treasurer with the information supplied by an applicant and any information or comments made by the Director of Finance and / or Director of Estates before it meets 'virtually' to consider its decision. The aim will be to respond to each application within 7 working days of

receipt by the Under Treasurer. The HWG will base its decision upon all material considerations including in particular the following factors:

- a. Has a full set of financial information, as described above, been provided?
- b. Has the tenant explored all other reasonable options for funding?
- c. Have reasonable actions been taken by senior and / or financially better off Members or its principals and / or persons liable to contribute to the funding of such Tenant to help pupils, junior barristers, junior participants and other **persons working within such Tenant's business** facing other hardships?
- d. Is the request for assistance reasonable as **against the Tenant's financial** position, the financial resources available to the Tenant and / or its Members (or any of them) or those liable to contribute to the funding of the Tenant (or any of them) and in the light of future work and receipts reasonably likely to be available to it and them ?
- e. Does the Tenant have a good record for the payment of rent as falling due?

#### Action of Decision

8. (1) The HWG is permitted to make its decision by a majority and in the event of all members being unable to participate, three members will represent a quorum. The HWG shall be entitled to decide upon whether or not to accede to any such application and if so upon what terms.  
(2) The Tenant, Director of Finance and the Director of Estates staff will be informed as quickly as possible by the Under Treasurer of such decision.  
(3) **The Tenant will be provided with a brief statement of reasons for the HWG's** decision where it varies from their application.  
(4) Where the HWG decides to agree to defer any rent due and the terms to be offered for such deferment then the Under Treasurer will issue on behalf of the Inn a **"side-letter"** to the relevant Lease for agreement and execution by the Tenant.  
(5) **The Management Committee will be provided with a summary of the HWG's** decisions at every other Management Committee meeting.

#### Residents

9. Residents applying for relief in respect of rent should apply in writing setting out the reasons for such request, and in so doing provide full material financial disclosure. The Inn appreciates that disclosure of personal financial information is likely to be considered by an applicant to be sensitive, and hence:
  - (1) All financial and personal information supplied will be treated in the strictest confidence and viewed only by the members of the HWG, the Under Treasurer and, where appropriate, the Review Group described below.

To assist in ensuring that only relevant information is requested and supplied the HWG has modelled its request for information, as described below, upon **the scheme devised by the Barrister's Benevolent Association (BBA)**.

- (2) Any copy documents supplied will be returned or destroyed at the later of **the end of the HWG's consideration of the application or any review of the HWG's decision**.
- (3) The Director of Estates and Director of Finance will each be advised by the Under Treasurer of the identity of any Resident applicant and given a description of the essential terms of the application being made including in particular the length and nature of any deferment or other relief sought. For the avoidance of doubt neither Director will be provided with any confidential information supplied in support of any such application. Promptly after receipt of such information each such Director will respond to the Under Treasurer in writing setting out any information considered to be material to the application and / or providing any comment upon or assessment of such application, including its potential effects upon the finances of the Inn and **good management of the Inn's estate**.
- (4) Any rent review will continue in the usual way and on the due date but with the revised rent then being subject to the deferment if agreed.
- (5) The resident will be expected to provide evidence that he / she has explored all other avenues of financial relief reasonably available before approaching the Inn including borrowing from banks and / or other commercial lenders and / or financing from any scheme or arrangement offered by HM Government.
- (6) The dates when payments of rent due for 2018 and 2019 were actually made.
- (7) In support of an application the Resident should, so far as reasonably possible provide financial information in the form provided for in the list at Annex A, which it is expected will provide a useful and practical guide for an applicant. It is anticipated that not all boxes will be completed but an applicant is expected to provide all information which materially affects an accurate **understanding of such applicant's true** financial situation. A summary of that information is:
  - a. Assets: Including House, savings, investments, car and other valuable assets.

- b. Income: details of gross earnings and other income receipts in 2019.
  - c. Liabilities: Including, mortgage, credit cards, loans and money owed to HMRC.
  - d. Expenses: **Set out any expenses that materially impact upon a resident's financial situation.**
  - e. Accounts: **Annual Accounts for the Resident's usual accounting period which ended in the tax years 2017/18 and 2018/19 and Tax Returns made to HMRC (and this showing all gross income before tax):**
10. Members of the HWG will be provided by the Under Treasurer with the information supplied by an applicant and any information or comments made by the Director of Finance and / or Director of Estates before it then meets 'virtually' to consider its decision. The aim will be to respond to each application within 7 working days of receipt by the Under Treasurer. The HWG will base its decision upon all material considerations including in particular the following factors:
- a. Has a full set of financial information as described above been provided?
  - b. Has the Resident explored all other reasonable options for funding such as the summary produced by the BBA at Annex B?
  - c. Is the request for assistance reasonable as **against the Resident's** apparent financial position and the financial resources available to the Resident?
  - d. Does the Resident have a good record for the payment of rent as falling due?

#### Action of Decision

11. (1) The HWG is permitted to make its decision by a majority and in the event of all members being unable to participate, three members will represent a quorum. The HWG shall be entitled to decide upon whether or not to accede to any such application and if so upon what terms.
- (2) The Resident, Director of Finance and the Director of Estates staff will be informed as quickly as possible by the Under Treasurer of such decision.
- (3) The Resident will be provided with a brief statement of reasons **for the HWG's** decision where it varies from their application.
- (4) Where the HWG decides to agree to defer any rent due and the terms to be offered for such deferment then the Under Treasurer will issue on behalf of the Inn a **"side-letter"** to the relevant Lease for agreement and execution by the Resident.
- (5) **The Management Committee will be provided with a summary of the HWG's** decisions at every other Management Committee meeting.

### Individual Hardship

12. Hardship will not only be felt collectively within **Gray's Inn Chambers and by** Residents, but more widely across our individual membership. It has been agreed that the Inns will each donate equal amounts to the Barristers Benevolent Association (BBA) Emergency Appeal. The Inns will donate further funds to the BBA in the future once further information on the demand is known and the results of the emergency appeal become available. The BBA will assess applications from all those barristers to whom in principle it is entitled to render assistance (i.e. those who have **already** 'held a brief') and where and so far as it can the BBA considers it appropriate it will make payment to relieve need.
13. For those members of the Inn who have not 'held a brief' and are thus not entitled to be included within the BBA scheme (e.g. Pupils and students), the Inn wishes to try to offer relief. For that purpose, the HWG will assess applications for assistance. It will be necessary to identify and offer relief in respect of immediate and substantial **need and authorise payment from a separate Gray's Inn fund established** for that purpose. However, that fund is necessarily of limited amount and will need to be administered carefully to ensure it can be used to provide assistance which will be of substantial effect in seeking to preserve the opportunity of the Applicant to pursue a career as a barrister at the Bar of England and Wales.
14. Some basic and essential financial information will be required in order for the HWG to be able to assess need. So far as possible the applicant should provide the information required within the applications at Annex C which should be emailed to the HWG via the Under Treasurer at: [tony.harking@graysinn.org.uk](mailto:tony.harking@graysinn.org.uk). The HWG will base their decision upon:
  - a. What the individual need is and why it is required. In the particular and unusual circumstances which now obtain the Applicant will be expected to disclose all assets to which he / she is entitled and any and all prospective benefits which the Applicant may hope to enjoy (e.g. receipt of cash or other benefits from a trust).
  - b. What other support has the individual sought and what other support could the Applicant reasonably be expected to call upon or to have available. In the particular and unusual circumstances of Covid 19, the Applicant will be expected to provide details of his / her family circumstances including details of any and all financial assistance provided by any family member at any time within the last 3 years, the identity of and relationship to the person providing such assistance and a description of whether and for what reason

any further assistance may or may not be hoped to be forthcoming from such person.

- c. A description of why and how it is that the Applicant's financial planning and expectations have materially changed over the course of the period since 01 March 2020.
- d. The amount of and duration of the requested assistance e.g. whether the assistance sought is in respect of an identifiable and quantifiable immediate short term need or is likely to require a more long term and / or substantial commitment of funds.
- e. The likely impact upon the Applicant of the Inn not supporting some or all of the request **and in particular upon the Applicant's prospects of pursuing a career as a barrister and in particular as a barrister in private practise at the Bar of England and Wales.**

#### Review Mechanism

15. Where a Tenant, Resident or an individual applicant is dissatisfied with a decision reached by the HWG then it / he / she may request a review of the HWG decision. Any such request shall be made by a letter in writing sent to the Under Treasurer within 7 working days of the Tenant, Resident or individual applicant having been notified of such HWG decision, and that letter shall explain the reasons for such request. Promptly upon receipt of any such letter the Under Treasurer will submit a copy thereof to the Chair of the Management Committee, the Treasurer and another member of Pension appointed by the Treasurer for the purpose of joining in such review (together the 'Review Group'). **Together with such copy letter the Under Treasurer will supply copies of the documents previously supplied to the members of the HWG for the purpose of them considering the initial application, any statement of reasons given by the HWG for its decision and any draft 'side letter' issued by the Under Treasurer to the applicant.** Thereupon the Review Group will review the request and the decision.
16. **If the Review Group is satisfied that the HWG's decision is unreasonable then it may vary the decision of the HWG or make such other decision as it thinks appropriate.** The Review Group will seek to provide a written response to a request for review within seven working days of receipt of the request for review.

Tony Harking  
Under Treasurer

17 April 2020

Annexes:

- A. List of Assets, income and liabilities
- B. BBA Advice to Barristers
- C. Application by Members of Gray's Inn for Financial Support During the Covid 19 Pandemic Not Available through the Barristers' Benevolent Association.

ANNEX A

ASSETS

Please state or estimate the value of assets belonging to you and your husband or wife or permanent partner, other than household goods and personal clothing.

| PLEASE STATE AMOUNTS                                      |                                              |
|-----------------------------------------------------------|----------------------------------------------|
| House / Flat<br><br>Mortgaged to (please specify):        | £<br><br>subject to mortgage(s) of:<br><br>£ |
| Other Real Property<br><br>Mortgaged to (please specify): | £<br><br>subject to mortgage(s) of:<br><br>£ |
| Building Societies<br>(please specify balance):           | £                                            |
| Bank Deposit Accounts<br>(please specify balance):        | £                                            |



|                                                                    |   |
|--------------------------------------------------------------------|---|
| Bank Current Accounts<br>(please specify balance:                  | £ |
| Post Office or Other Savings Accounts<br>(please specify balance): | £ |
| Stocks and Shares                                                  | £ |
| Endowment Policies<br>(please specify value):                      | £ |
| Premium Bonds<br>(please specify value)                            |   |
| Motor Car(s) – Make, model, year of<br>manufacture and value       |   |
| Income Bonds                                                       |   |

**INCOME:** Please insert in the table below the income you and your husband or wife or permanent partner received during the last 12 months? Please show whether the figure given is per week, per month or per year, and whether it is gross (i.e. without deduction of income tax) or net, i.e. after tax was deducted. Insert amounts into any box relevant to your situation.

| TYPE OF INCOME                                                | AMOUNT | GROSS OR NET |
|---------------------------------------------------------------|--------|--------------|
| Earnings of Applicant<br>(less tax and National<br>Insurance) |        |              |
| Allowance from partner/                                       |        |              |



|                                                                  |  |  |
|------------------------------------------------------------------|--|--|
| maintenance/spouse's income                                      |  |  |
| Occupational Pension                                             |  |  |
| Retirement Pension                                               |  |  |
| Widow's Pension                                                  |  |  |
| Other pensions (please specify)                                  |  |  |
| Income from house property                                       |  |  |
| Income from sub-letting                                          |  |  |
| Income from paying guests                                        |  |  |
| Investment income from stocks and shares                         |  |  |
| Interest from Bank or Building society deposits                  |  |  |
| Income or interest from legacies or trust funds (please specify) |  |  |
| Gifts: from relatives                                            |  |  |
| Grants: from any other Charity, Society or Institution           |  |  |
| Employment & Support Allowance                                   |  |  |
| Incapacity Benefit, DLA or PIP                                   |  |  |
| Severe Disablement Allowance                                     |  |  |
| Maternity Allowance                                              |  |  |
| Attendance Allowance                                             |  |  |
| Universal Credit                                                 |  |  |
| The Disability Working Tax Credit                                |  |  |
| Working Tax Credit                                               |  |  |
| Income Support Personal Allowance                                |  |  |
| Income Support Premium: Family                                   |  |  |



BBA Advice to Barristers

1. The government has announced more help for the self-employed which can pay up to 80% of your salary up to £2,500 for those whose profits for the previous year were under £50,000. Those eligible will be automatically contacted by June 2020. See [COVID-19: guidance for employees](#). The self-employed can claim Universal Credit and help with rent. Universal credit has been increased to £409.89 per month for singles over 25. **It's more for couples but if the partner is working this will be taken into consideration.**
2. If you have a mortgage apply for a payment holiday. Banks and building societies are currently giving these for 03 months. If the crisis continues this may be extended.

3. If you are renting, apply for housing benefit and talk to your letting agent to explain your circumstances. Landlords / ladies can also apply for mortgage holidays for properties they rent out. Eviction time has been increased from two months to three.
4. If you have a credit card consider transferring outstanding balances to a 0% interest card ASAP.
5. Talk to your creditors and explain your situation – they should have policies in place to deal with this.
6. If you have urgent demands for payment – legal action against you or similar - we may be able to refer you to our insolvency and litigation advisor who could possibly assist in corresponding with creditors.
7. Please also consult your own accountant if you can.
8. Banks are offering emergency Covid 19 interest free loans to the self-employed.
9. HMRC tax payments due in July 2020 have been postponed to January 2021.
10. Talk to your Chambers about how they are going to deal with rent during the crisis.

ANNEX C

**Application by Members of Gray's Inn for Financial Support During the Covid 19  
Pandemic Not Available through the Barristers' Benevolent Association**

Name:

Membership Number:

Financial Circumstances



Please describe the amount of assistance you are applying for and the purpose of such assistance. In so doing please include whether you are seeking a single payment or whether you are seeking longer term support, and if the latter, please describe the nature of the support sought.

Are there any factors you would like to emphasise in the light of the financial details provided? e.g. responsibility for caring for others, family circumstances, hardships etc.

|                                                                                                                                                                  |         |        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|--------|
| Assets                                                                                                                                                           |         | Assets |
| Current savings                                                                                                                                                  |         |        |
| Other capital or investments<br>Any right to be considered for and / or hope and / or expectation of receipt of any benefit from any form of trust or settlement |         |        |
| If you own a house, state its value                                                                                                                              |         |        |
|                                                                                                                                                                  |         |        |
| Debts                                                                                                                                                            |         | Debts  |
| State all mortgages and / or loans secured thereon (your property)                                                                                               |         |        |
| Student loans                                                                                                                                                    |         |        |
| Bank overdraft                                                                                                                                                   |         |        |
| Credit cards                                                                                                                                                     |         |        |
| Other debt                                                                                                                                                       |         |        |
| Any additional debt detail or information?                                                                                                                       |         |        |
|                                                                                                                                                                  |         |        |
| Income                                                                                                                                                           | Monthly | Annual |



|                                                                                                                                                                                                                                                 |                |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--|
| Financial or other help from family, partners or other sources. Please describe any financial help or support received by you during the last 2 years and briefly explain whether and why further such support is or not likely to be available |                |  |
| Have you applied for Universal Credit, Housing Benefit or any other state benefit or financial assistance and if so when, to whom, for what and what is the current status of each such application?                                            |                |  |
| Gray's Inn awards yet to be received                                                                                                                                                                                                            |                |  |
| Other [non-Gray's] scholarships/bursaries/payments (including payments from Chambers) yet to be received                                                                                                                                        |                |  |
| For students, do you intend to apply for or already have a course fee reduction from your Course provider?                                                                                                                                      | YES [ ] NO [ ] |  |
| Drawdown from savings                                                                                                                                                                                                                           |                |  |
| Interest from savings and investments                                                                                                                                                                                                           |                |  |
| Gross earnings from any employment                                                                                                                                                                                                              |                |  |
| Any other income                                                                                                                                                                                                                                |                |  |
| Pupillage total award amount (secured pupillage only)                                                                                                                                                                                           |                |  |
| If applicable, what will be the drawn down pupillage amount?                                                                                                                                                                                    |                |  |
| Do you have free accommodation                                                                                                                                                                                                                  | YES [ ] NO [ ] |  |
|                                                                                                                                                                                                                                                 |                |  |



|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |         |        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|--------|
| Liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |         |        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |         |        |
| Any proposed loans [bank or otherwise]                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |         |        |
| If you have declared any other sources of funding, please provide details.                                                                                                                                                                                                                                                                                                                                                                                                                                 |         |        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |         |        |
| Outgoings                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Monthly | Annual |
| University/College fees [i.e. undertaking another degree alongside Course]                                                                                                                                                                                                                                                                                                                                                                                                                                 |         |        |
| Course fees [total]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |         |        |
| Town / city you will live in                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |         |        |
| Mortgage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |         |        |
| Rent                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |         |        |
| Utilities (gas, electric, etc.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |         |        |
| Council Tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |         |        |
| Other expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |         |        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |         |        |
| Declaration                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |         |        |
| <p>I declare that to the best of my knowledge the information supplied above is correct;</p> <p>I understand that any knowingly incorrect statement may be regarded as an attempt to obtain help from Gray's Inn under false pretences.</p> <p>I agree to provide Gray's Inn with any further information that may become necessary to correct what I have said in this application, either because I become aware of errors in it or because a material change occurs to invalidate what I have said.</p> |         |        |

Signature of Applicant .....

Date .....

GDPR (the General Data Protection Regulation)

I hereby give my consent for the information provided on this form to be held on computer or other relevant filing systems and to be processed for the purposes of Gray's Inn and in accordance with the Data Protection Policies of Gray's Inn, copies of which can be provided.

Signature of Applicant .....

Date .....