

About this fact sheet

This fact sheet has been prepared to inform retail tenants about how they can approach a conversation with their landlord about challenges their business is facing as a result of events outside of either the tenant or the landlord's control and action.

A retail tenant may be experiencing a significant downturn in revenue, and potentially financial hardship, because of a disruption such as a road closure that's reduced foot traffic and sales.

A retail landlord is not obliged to compensate or support tenants when disruptions occur at, or nearby, the premises, and the premises is undamaged and tenable.

It is a good idea for business owners to hold insurances, including business interruption or business income insurance.

When the cause of events (i.e. unplanned road closures) is not covered by insurance and is outside the control and action of both the retail tenant and the landlord, then the tenant could explore with their landlord whether they could assist in any way. It's very important to remember that a landlord isn't obliged to agree.

How to use this fact sheet

We've structured this fact sheet to guide you through the process of preparing a request of your landlord for assistance. Follow each step to draft speaking points and an email.

We're here for small business

We're an independent Victorian Government agency that provides alternate dispute resolution services. That means we help find solutions to retail leasing and business disputes.

We can also provide general information on the relevant legislation.

Call **1800 878 964** or visit **vsbc.vic.gov.au**

1) Assess your situation

First, objectively assess the disruption. This will assist you to explain the problem you're navigating and how it's impacting your business. It'll also confirm if your landlord is the best person to approach to assistance.

Write down:

- What is the cause of the disruption?
- Were you provided notice of the disruption?
- How is your business disrupted? (i.e. reduced access to shopfront, loss of nearby carparking)
- What impact has the disruption had on your business? (i.e. a dollar or percentage change in sales)
- How long will the disruption continue for?

Have you received notice of the disruption?

If the disruption is planned and you have received notification, then you should plan to manage the impact of that disruption.



Read our [Guide to managing disruption for information](#) (available by scanning this QR code).

Importantly, you should contact the organisation that is responsible for the disruption. This will allow you to understand the scope of works planned and may also be an opportunity to inform them about how it'll impact your business. The project managers may be able to consider your business' needs in their work planning.

Do you hold business interruption insurance?

Review the insurance policies that you hold and check if the disruption is an insurable event.

If the event could be insured, then you should speak with your insurer about making a claim.

If the disruption or hardship is not insurable and has occurred from actions outside of the control of yourself or your landlord, then you could proceed with preparing your request.

3) Identify who you'll approach

Your lease will detail the correct person to approach and their best contact details.

Some properties will be managed by an agent, while others will be managed by the landlords themselves.

4) Consider how you'll make your request

Whether you're approaching your property manager or your landlord, consider speaking with them on the phone in the first instance.

You can prepare talking points to guide yourself through the telephone call. You can then adapt these points to become a confirmation email.

It's a good idea to record all interactions with your property manager or landlord in writing. If you have a telephone conversation, simply follow it with a note thanking them for their time and confirming what was discussed.

When making contact initially, keep in mind that this could be a lot of information for the property manager or landlord to process. It may be best to first let them know about the disruption, and its impact upon your business. You could then request a follow-up conversation to discuss the possibility of them assisting you.

5) Prepare your request

Draft speaking points for a telephone call

- *I'm calling to let you know that our business has been impacted by [event] which has resulted in [disruption].*
- *This has [impact – i.e. reduced customer numbers] and as a result our sale are down [X%] when compared to [previous period].*
- *I'm concerned by the financial stress that this is placing upon my business.*
- *These events were outside both your control and mine, so the purpose of my call is to ask whether you would consider sharing some of the impact of this disruption with me?*
- *I'm committed to continuing my business at your property and I'm hoping that we could come to an arrangement that will support my business to continue through and beyond*

this challenging period.

- *I'm happy to provide you with written evidence of the disruption and how it has impacted my business.*
- *Would that be something you might be able to consider?*

Confirm everything in writing

If you have the phone call, send confirmation email. If you can't reach the person on the phone and they don't return your call, consider sending the request via email.

If you reach an agreement, ensure that is also recorded in writing and that you each have a copy.

Tips to best deliver your message

Asking for assistance can be embarrassing or intimidating. Give yourself the best chance of success by:

- Making the call from a quiet place where you won't be interrupted (i.e. a private room or from your car)
- Calling within business hours, or at a time you know the other person is open to being contacted
- Ensuring you're calm and as rested as possible when you call.

If you're nervous, try practicing the conversation aloud to yourself, or to a trusted employee, friend or family member.

Consider questions they might have

Consider what questions you would ask if you were in your landlord's position. Write these questions down and consider your responses.

For example, they might ask why you don't have sufficient cash reserves to see the disruption out? Potentially this is because of other disruptions such as the COVID-19 pandemic or severe weather events.

Require a translator?

If you would like to speak to the VSBC with the help of an interpreter, you can contact us through the [Translating and Interpreting Service](#) by calling **131 450**.



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vsbc.vic.gov.au



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1800 878 964

