

Adam Gallagher and James Watson Quoted in *Bloomberg* on U.K. Insolvency Trends During the Pandemic

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Restructuring Partners Adam Gallagher and James Watson were quoted in a *Bloomberg* article titled, “U.K. Lifts Most Pandemic Measures That Staved Off Insolvencies,” which explained that, as of October 1, the U.K. government removed a number of the safeguards put in place at the onset of the pandemic to reduce business insolvencies. When discussing some of the restrictions that will remain in place, James noted that commercial tenants with rent arrears accrued as a result of the pandemic will remain protected until March, explaining, “a landlord is likely to have a hard time proving that the company would have been unable to pay the rent anyway – unless the rent was accrued but unpaid prior to the onset of Covid.”

When analyzing U.K. insolvency trends over the past year, the article noted that, although still low in relation to years before the pandemic, the number of creditors’ voluntary liquidations increased by almost 40% in Q2 of 2021 in comparison to Q1 of 2021, according to data from the U.K. Insolvency Service. “Those companies tend to be mid-market, the sort that probably can’t use the restructuring tools available for larger ones,” said Adam.

To read the full article, please [click here](#) (subscription required).

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