

Date: 15 November 2017

R3

Pre-Budget comments from R3



Eleanor Temple, chair of R3 in Yorkshire and a barrister at Kings Chambers in Leeds, says:

"With the latest official figures showing a 15% year-on-year rise in the number of corporate insolvency cases across England and Wales, the need to further improve and reinforce the corporate insolvency framework has never been more pressing, and we would hope to see the Chancellor announcing measures which will support this.

"We have one of the world's best insolvency and restructuring frameworks, and it helps to attract both businesses and investment to the UK by ensuring companies' financial difficulties can be resolved quickly and effectively, but reform is clearly required to stay ahead of the competition, especially with so much emphasis being placed on British businesses tackling new export markets after we leave the EU.

"Ideas that have been previously mooted by the government included giving business directors a 'last chance' protection from creditors in order to turn their firms around before a formal insolvency procedure becomes necessary, and introducing reforms to ensure struggling companies receive vital continuity of supply from utility providers while they try to resolve their financial difficulties.

"R3 would welcome such changes, with some alterations, as we believe they could make an incredibly valuable addition to the UK's business landscape by making company rescues more feasible and thus making it more likely that the jobs these firms support can be saved."