Received: 11 December 2023 | Revised: 27 February 2024 | Accepted: 10 September 2024

DOI: 10.1002/iir.1547

RESEARCH ARTICLE

INSOL International WILEY

Retail company voluntary arrangements: A dubious remedy?

Grazyna Aleksandra Wiejak-Roy | **Jessica Lamond**

Centre for Advanced Built Environment Research, University of the West of England, Bristol, UK

Correspondence
Grazyna Aleksandra Wiejak-Roy, Centre for Advanced Built Environment Research, University of the West of England, Bristol, UK.
Email: grazyna.wiejak-roy@uwe.ac.uk

Abstract

Despite much debate on Company Voluntary Arrangements (CVA) among UK retailers, understanding of retail CVAs remains limited. There is continuing uncertainty about the uptake of CVAs, what aspects lead to successful outcomes and whether CVAs can be viewed as a remedy for struggling UK retailers. To address these questions, we developed and analysed a novel and detailed dataset of Companies House records for the population of retailers' CVAs between mid-2012 and early 2021. We find that CVAs, despite detrimental impacts on other actors (landlords and suppliers), can be a useful tool for some retailers in adjusting to the new market conditions. The uptake of CVAs among retailers is stable, though not among large retailers. Retail CVAs help to avoid immediate business failure, but we found limited evidence of the success and efficient longer term outcome of the procedure, suggesting that alternative methods could be considered. The success and efficiency of CVA do not seem to depend on the size of the business, but there are variations in both the uptake and efficiency of CVAs across retail sub-sectors. This suggests that a range of mechanisms are required to cater to the different needs across retail categories. Despite the market challenges, CVAs are not prolonged on average. However, longer duration CVAs seem to have a lower chance of succeeding and of being efficient implying that CVA cannot remedy fundamental business issues. Finally, we observed differences related to who oversees the procedure, suggesting that greater emphasis should be put on upskilling and selection of insolvency practitioners.

1 | INTRODUCTION

The retail sector is undergoing structural change, partly due to growth in online shopping accelerated during the pandemic and threatening the affordability of retail real estate. In the United Kingdom, while some retailers are re-inventing their businesses to stay ahead of the market,[1] others have been slower to respond. For some, this has resulted in business failure or the need to seek recovery using insolvency procedures such as administration or the highly debated Company Voluntary Arrangements (CVAs).[2]

The UK retail real estate market has been significantly oversupplied in recent years.[3] Since around 2018, retail real estate is no longer seen as the target sector for institutional investors. In 2019, it was already predicted that demand for physical retail space would drop between 10% and 20% by 2030.[4] Within this context, struggling retailers have sought ways to improve their performance, including reducing real estate costs.[5] Real estate cost reduction is usually achieved via store closures, space reductions and rent reductions easily implementable via CVAs. Investment news became dominated by retailers' bankruptcies and CVAs as a 'quick fix' leading to shop closures and rent renegotiations,[6] especially among fashion retailers.[7] The 2020 pandemic restrictions triggered further retailers' bankruptcies and losses for retail real estate investors.[8] In 2020, some 9,000 retail units went through a CVA, administration or liquidation, double what has been seen in 2018 and 2019 and nearly half of these shops ultimately closed.[9]

CVAs were introduced some forty years ago in the United Kingdom, but initially proved less popular than alternative insolvency procedures. This was due to the lack of willingness of creditors to support CVA proposals, the rising popularity of 'pre-packaged' administrations,[10] and the perceived high failure rate of CVAs.[11] In contrast, over the last decade, with the changing power dynamic between landlords and retailers, CVAs have become a favoured recovery vehicle for retailers,[12] and increasingly controversial, as the procedure appears unjust in its disproportionate effect on landlords.[13] Although CVAs protect troubled retail businesses from a winding-up petition and give them a chance of survival instead of administration, they leave property investors with vacant units or significantly lower rent undermining their property rights.[14] CVAs may be exploited by large retailers to reduce the costs of physical stores rather than to genuinely improve their business performance,[15] reducing property values and creating negative spillover effects on rent renegotiations by well-performing retailers.[16] CVAs have also been criticised by insolvency experts for not being radical enough or needing changes to effectively stave off insolvency, suggesting that they cannot be justified on the basis of their main intended purpose.[17]

Despite the debate, except for the 2022 Insolvency Service report,[18] CVAs have attracted limited systematic research.[19] Detail on the impact of retail CVAs remains limited and scattered.[20]

Hence, this research provides a systematic analysis of changes in scale, structure and long-term outcomes of retail CVAs over the last decade. We test whether retail sector CVAs have been increasingly used and support avoiding business failure. We consider the size and sub-sector of the retail companies undergoing CVAs to understand if these factors affect the uptake and long-term outcome of a CVA. We also investigate process factors and whether the duration of CVAs or if the practitioners involved have any impact on the business recovery.

The rest of this article is organised as follows: Section 2 provides a review of the literature including key conditions of CVA; CVA as a restructuring method for brick-and-mortar retailers; implications of CVAs focusing on retailers and tenants; and a brief overview of wider implications. Section 3 elaborates on evidence from previous research on the UK's CVA experience, where possible, with a focus on the retail sector. Section 4 describes the adopted methodology. Section 5 presents results on the use of CVA in the UK retail market and Section 6 provides conclusions from the research.

2 | CVAs: A TOOL TO SUPPORT DISTRESSED RETAILERS?

Distressed UK companies can raise new finance, restructure debt, facilitate instalment payments to suppliers and HMRC or enter into a CVA, administration, liquidation, receivership or wind-up.[21]

Introduced in 1985 on recommendations of the Cork Report, and governed by the relevant insolvency acts for England and Wales, Scotland and Northern Ireland,[22] the CVA is designed to provide a framework for debtor-creditor negotiation. The process, similar to an informal workout agreement, is meant to be inexpensive, quick and efficient for dealing with financial difficulties without engaging in formal procedures and was intended for small and medium-sized enterprises.[23] A CVA can only be proposed if a business is insolvent or contingently insolvent giving a timely opportunity to address issues and avoid terminal insolvency procedures.[24] CVAs are subject to rules and conditions that have been described in previous research.[25] A CVA can be proposed if it demonstrates that it has a reasonable prospect of being approved and implemented; that is, the return to creditors should be better than that in an alternative insolvency process, the business has sufficient working capital to trade, the cause of the financial difficulty is addressed, and unlikely to be repeated, and the CVA would be supported by key creditors.[26]

In 2001, the main causes of CVAs across all industries were poor management and general economic conditions, followed by problems with one major contract, poor trading in one area, and significant bad debt.[27] Three years later, over-reliance on a single large contract and a sudden market change were identified as the major issues.[28] Two decades ago, research suggested that companies entering CVAs were worth saving because one or more profitable areas, apart from one event the company, were sound, there were opportunities to release value of one major asset, the CVAs were superior to liquidation and ultimately the shareholders were willing to invest extra capital.[29]

Given the CVA's focus on the preservation of the company to continue trading,[30] CVAs are about the restructuring of the balance sheet and reorganising business operations to survive and create a way out of insolvency.[31] Hence, a CVA may only be seen as a remedy if the company is viable, is capable of funding itself and of generating profits and has the support of key customers and suppliers and the directors and managers are committed to the future operation of the business and willing to restructure the company.[32] For retailers, CVAs allow avoiding or substantially reducing their long-term lease liabilities or switching to turnover-based leases.[33] For the landlords, this means that they are locked and not able to forfeit leases or take proceedings against the company.

2.1 | Retailers' perspective

The key advantage of the CVA for the retailer wishing to rationalise lease commitments is its flexibility. A CVA can be implemented on a stand-alone basis or to supplement other insolvency procedures.[34] Despite requiring a licenced insolvency practitioner (IP), it is an off-court procedure and the least formal insolvency option.[35] A CVA can be proposed by the directors, administrator or liquidator, but not by creditors or shareholders. Thus, it can allow the directors to retain managerial control which may be useful as managers hold firm-specific knowledge required during distress.[36] The CVA can be used as a negotiating tactic as it allows for trading to preserve jobs, and ongoing contracts while terminating or renegotiating some of them.[37] Employees' rights are not protected by a CVA allowing the company to reorganise their staff.[38] The same applies for the creditors, leaving the company space to repay less than they owe.[39] Finally, there is no statutory requirement for a public announcement concerning the CVA; therefore, it is particularly appropriate for reputation-based businesses notwithstanding that CVAs are less stigmatised than other insolvency procedures.[40]

The key disadvantages for the company subject to CVA include its cost (albeit less pricy than administration),[41] limited international use (CVA can only be used by UK companies without a material presence outside the UK),[42] time to implement (albeit typically shorter than of other procedures)[43] and limited space for changes (the company must stick to the agreed payment plan with CVA not affecting the rights of secured creditors without their consent, nor affecting the priority of preferential creditors vis-à-vis all other debts.).[44]

Small companies proposing a CVA can apply to the court for a moratorium order on the actions of their creditors while seeking an agreement with them.[45] However, larger businesses do not have this option, resulting in their CVAs being frequently combined with administration that allows for the extra protection a moratorium gives.[46] CVAs may put shareholders' value at risk as they do not require an investigation into the conduct of directors, letting them continue trading without the pressures financial distress brings.[47] Finally, CVA proposals can be challenged by the creditors leading to less radical changes or later on be appealed on the basis of unfair prejudice or material irregularity.[48] Despite these disadvantages, CVAs can be a preferred option, as they are designed to offer better returns to trade creditors than other insolvency procedures, that might jeopardise entire business relationships.[49]

2.2 | Landlords' perspective

Landlords are typically unsupportive of CVAs but may be powerless to prevent their implementation. CVAs are binding to unsecured creditors including landlords, but their approval requires support from only 75% of all unsecured creditors. This may lead to a cramdown, which can only be dealt with via unfair prejudice or material irregularity.[50] Conversely, CVAs do not bind secured or preferential creditors leaving them the power to withdraw funding or trigger administration.[51] CVAs allow for uneven and subjective treatment of creditors with limited justification,[52] and they put the retail landlords in a disadvantaged position as their claims for voting purposes are typically valued at GBP 1 unless the convener, chair or an appointed person decides to assign a higher value.[53] Such treatment undermines the fundamental principle of long-term consensual lease agreements and effective management over property rights, leading to a lack of clarity around landlords' rights.[54]

The limited formality of a CVA means that, as opposed to other insolvency procedures, the CVA does not require an independent investigation as to why the company is in financial difficulties and into the means to address them.[55] Unsecured creditors have limited access to information about the retailer's performance. CVA documentation frequently lacks detail on store performance and the impact of proposals for individual stores, as well as on the sustainability of the business.[56] For landlords with lease agreements that include turnover clauses, falling in-store retail sales will be apparent, but this is not the case for landlords with fixed rent leases leaving them in a disadvantaged position.[57] Moreover, the shift towards outlets acting as showrooms, with sales occurring online, makes in-store sales data less relevant as an indicator.[58]

Business failure leading to failed CVAs may be driven by poor management and limited competency of directors.[59] Hence, keeping existing management in place is often questioned by creditors.[60] If creditors instead restrict directors' remuneration, the directors may become disillusioned leading to early "Termination" of CVAs.[61] CVAs assume company-led processes to be solely overseen by an IP with limited disclosure requirements, which for large retailers may not be feasible.[62] Despite research recommending clearer articulation of the duties of nominees and supervisors,[63] the 2021 SIP3.2.[64] does not seem to bring major changes and leaves challenging the CVA implementation to the court.[65]

Despite the above, CVAs offer an opportunity to save the business and thereby preserve landlords' rights in the long run. CVAs conducted in line with recommendations of the British Property Federation (BPF) offer some ability to influence lease terminations or renegotiations and leave more control over the repayment of outstanding rent.[66] Renegotiated leases as a result of a Fully Implemented CVA may lead to the preservation of the symbiotic landlord-tenant relationship and reduce the exposure of the landlord, who otherwise would be left with a unit vacated by a bankrupt retailer.[67] Some CVAs create an opportunity for a share in the upside in case of the company outperforming the CVA plan, but this may be more a hypothetical incentive for creditors to support the CVA, than a real opportunity.[68]

2.3 | Wider implications

While the above analysis focused on parties directly affected by the CVA, it is worth noting that this procedure may also result in externalities with wider ramifications. Such externalities include

1. increasing vacancy and reduction of local market rent leading to reduced footfall and contracting local markets. Potentially this leaves local communities with limited retail offerings and dying retail precincts and reduces certainty over investment in already troubled town centres[69];
2. distorting competition by supporting poorly run businesses and delaying retail market transformation. Leading other tenants to demand a 'CVA clause' to allow them to match their rent to those which have been offered to neighbouring stores benefitting from CVA provisions[70];

3. reducing the value of real estate held by investors, affecting portfolios such as private pension funds[71]; and
4. increasing unemployment and dependency on public subsidies.[72] Partially, these are wider implications of a contracting retail presence on the high street that may or may not be more severe than would be the case if companies went through other insolvency procedures.

2.4 | Defining success and efficiency for CVAs

To justify the costs to landlords and other creditors, the wider implications, the benefits of CVAs and the factors leading to both the immediate success of a CVA and the long-term survival of the business, following the completion of a CVA should be scrutinised. Under the Insolvency (England and Wales) Rules 2016, a successful CVA is one that has been "Fully Implemented".[73] Full implementation indicates that the plan has been followed, but may not instigate sustainable recovery, failure may instead be delayed and the implementation process is seen as inefficient. A resource-strong business subject to adverse temporary factors may recover through a CVA, others with poor management or falling behind the competition may struggle to sustain market position beyond the CVA process.[74] The commitment of directors and managers to make fundamental changes is one of the key determinants for business survival post-CVA and an efficient outcome.[75]

In retail, from the real estate perspective, an efficient outcome of a CVA would be that the business emerges with a recalibrated and upgraded physical store footprint and is capable of trading without further support.[76] Streamlining the property portfolio needs to be accompanied by a wider business restructuring that relies on the creditors' goodwill[77] and engagement with other stakeholders to support the CVA process,[78] since CVAs can only truly help to rescue the business when the business is genuinely viable.[79] The status of the CVA (Full Implementation or Termination) is therefore a limited indicator to determine the success and efficiency of CVA as an insolvency recovery procedure. For this research, the record of a sustained active business with no support of any other insolvency procedures is adopted as a proxy for the long-term post-CVA business condition and is suggested as a more comprehensive measure of the efficiency of the CVA procedure.[80]

3 | CVA APPLICATION IN THE UK

Our review identified six multi-sector studies of CVAs conducted in the United Kingdom referred to in nine publications (Table 1).[81] Four multi-sectoral analyses identified construction, manufacturing, distribution and services as the key sectors using CVAs [1a-4b].[82] In 2018, while Construction and Food & Drinks sectors would have seen the highest number of CVAs, Wholesale and Retail and Manufacturing were the sectors with the highest frequency of CVAs [4a].[83] However, in 2020, Retail, travel, personal and leisure; Business services; Construction; and Manufacturing were identified as key sectors using CVAs [4b].[84] More recently three studies provided more insights into CVAs in the retail sector. These included small-scale retail and hospitality research on CVAs in 2017–2019 [5a] and 2020 [5b][85] and the 2022 Insolvency Service report concerning retail, hospitality and accommodation CVAs starting between 2011 and 2020 [6].[86] Studies relating to CVAs in 2017–2019 [5a] and 2020 [5b] noted some similarities in

TABLE 1 Key CVA studies.

Study	Period covered	Scope	Data sources and methods	Publications
1	Mid-1990 to 2000	175 cases, all sectors	Structured questionnaire of licensed Ips	1a. Pandit et al. (2000), 1b. Cook et al. (2001)
2	No information	97 cases, all sectors	Structured questionnaire of licensed Ips	2. Cook et al. (2011)
3	CVAs starting in 2006–2011	177 cases, all sectors	Companies House	3. Walters and Frisby (2011)
4	CVAs starting in 2013	552 cases, all sectors	Companies House and survey of R3 members	4a. Walton et al. (2018), 4b. Walton et al. (2020)
5	CVAs starting in 2019–2020	339 cases (2019) and 238 cases (Jan-Nov 2020), all sectors, focus on retail and hospitality	PwC client and market intelligence	5a. Addley and Milward-Oliver (2019), 5b. PwC (2020)
6	CVAs starting in 2011–2020	59 large company cases (retail; accommodation, food and beverage services)	Companies House	6. The Insolvency Service (2022)

Source: Authors' own research.

business challenges and approaches to the uptake of CVAs between retailers and hospitality, and accommodation businesses.

In view of the above research and opinions, evidence has been sought to respond to the following questions:

Q1: In the retail sector, has the uptake of CVAs been increasing?

While there is no comprehensive evidence of retail CVAs, signals from BPF, The Insolvency Service and IPs suggest a strong increase in CVAs' application among retailers [5a, 5b].[87] Given the sparse evidence, the trend in the uptake of CVAs is still an open question.

Q2: To what extent do CVAs help avoid business failure in the retail sector?

CVA is deemed to be efficient if it leads to the rescue of a troubled company and the avoidance of other terminal insolvency procedures.[88] However, due to the lack of comprehensive sector-specific studies, it is not clear to what extent CVAs help avoid business failure in the retail sector. Multi-sector research conducted in 2001 based on the company status five years following the start of CVA, concluded that only 22% of them were successful (i.e., the business trading following completion of a CVA), 4% were still undergoing a CVAs procedure and 39% were undergoing other insolvency procedures, while the rest were either dormant or ceased to exist [1b].[89]

A decade later, another multi-sector research indicated that after three years from CVA's start, only 14% ended with a trading business, 13% were still in progress, 22% were subject to other insolvency procedures, with the rest dissolved or undergoing dissolution [3].[90] Given an increase of high-profile retail CVAs, the same research concluded that, despite retail CVAs producing mixed results, they can be used effectively in the retail sector. Further to that, 2011 research confirmed that CVAs outperform other insolvency procedures when it comes to pulling the business out of insolvency [3].[91] In 2018, based on the sole CVA status, it has been confirmed that not much has changed since the beginning of the millennium, with only 18.5% of CVAs Fully Implemented, 16.5% still ongoing and 65% Terminated without achieving their intended aims [4a].[92]

Further to that, the 2019 research suggests that over half of CVAs are unsuccessful with the business ending up with a different insolvency procedure [5a].[93] The most recent, 2022 research looking into 2011–2020 CVAs, indicated that while 32% of CVAs have been Fully Implemented, only 19% of the large companies were still active [6].[94] Given the low efficiency of CVAs and discrepancies between the more recent research, it is important to establish whether the disadvantages of CVAs can be justified to prevent retailers from failing completely.

Q3: Has the duration of CVAs increased over time?

While the 2- to 3-year duration of CVA was historically seen as sensible, 2020 research investigating CVAs starting in 2013, suggests that such a period would be too short to complete proposed changes and indicates that 16% of CVAs continued for at least 4 years, with 5-year proposed periods becoming a default position [4b].[95] This appears contradictory to the CVA's aim of being a quick solution.[96] Given the growing retail market complexities, the question arises as to whether the CVA processes have slowed down, rather than accelerating corporate rescue using CVAs.

Q4: Are longer CVAs associated with lower business survival?

Research published in 2020 [4b] indicates that longer CVAs are increasingly problematic with extended restructuring lowering the chances of supporting recovery.[97] Hence, instead of the long struggle of a CVA, liquidation and pre-pack administration are suggested to avoid a slow death [4b].[98] Observations of CVA's Terminations show that Terminations happen reasonably early – 24% of all CVAs commenced in 2013 were terminated within 12–18 months of commencement [4b].[99] These Terminations are typically due to failure to meet the CVA's conditions in a timely way and prove that the CVA's plan was unrealistic.[100] Hence, understanding whether longer retail CVAs suffer from the same problem will offer insight into what a realistic duration could be.

Q5: Is CVAs' uptake by non-small retail companies increasing?

Industry news suggest that the uptake of retail CVAs by non-small companies is increasing.[101] In the past, CVAs had been a matter for small companies, and larger companies preferred less disruptive out-of-court settlements [1a].[102] In 2001, only 21% of all companies going through CVAs had turnover above GBP3m strongly suggesting that CVAs were still used predominantly by small companies. The same was confirmed in 2011, with the median company sales revenue of GBP1.5 million and 20 employees and the mean sales revenue of GBP3.8 million, and the mean employment at 54 employees [2].[103] In 2018, it was observed that while 93.1% of all CVAs have been undertaken by small companies, non-small companies used the procedure disproportionately [4a][104] and by 2020 this trend continued [4b].[105] However, the above relates to all CVAs and is not specific to retailers. It is not clear if the uptake of CVAs by non-small retail companies is increasing in line with the wider market.

Q6: Following a CVA, are small retail companies less likely to survive than large retail companies?

Two decades ago, CVAs among small companies were observed to be less likely to lead to business recovery than CVAs among larger companies, and this was attributed to the regressive impact of costs on small companies and the lack of economies of scale [1a, 1b].[106] Research in 2018 [4a] confirmed that observation, finding that 14.9% of small companies survived following a CVA.[107] while among the non-small companies, the survival rate was far higher at 45.9% [4a].[108] Given that CVAs were designed with small businesses in mind, this raises an important question of whether CVAs are meeting their intended purpose in the retail segment, where in local markets small independent retailers face fierce competition from larger chains.

Q7: How does CVA uptake vary across retail sub-sectors?

Although there is no systematic research on the application of CVAs across the retail sector, 2011 research suggests that CVAs are slightly more frequent in the retail sector than overall in the economy (15% vs 9%) [3].[109] Recently, fashion including clothing and shoes has been in the spotlight perhaps due to the large number of shops being affected by the CVA-driven lease term changes [5a, 5b].[110] As retail transformation differs across sub-sectors,[111] the question arises whether fashion is such an important CVA's user, or more broadly, if there any sub-sectoral differences in the uptake of CVAs.

Q8: Post-CVA, how does survival vary across retail sub-sectors?

There is no systematic analysis of CVAs' long-term outcomes for different retail sub-sectors. However, 2020 research suggests that some sub-sectors are impacting more on the returns in the retail real estate market [5b].[112] Understanding any differential performance of retail CVAs across categories should inform practitioners' and businesses' judgement on the value of entering into such arrangements.

Q9: What is the impact of the experience of the insolvency practitioners on the success of a retail CVA?

CVAs may not have been fully embraced by IPs due to a lack of their familiarity with the process and potentially lower fees.[113] Research published in 2001 indicates that the integrity and competence of an experienced IP are critical to securing creditor support, especially where managerial issues led to business distress [1b].[114] A 2012 study found that following a CVA the survival of the business would be positively associated with the size of the accounting practice to which the IP belongs, but negatively with the increased experience of an insolvency practitioner's firm [2].[115] To that, 2018 research noted that as many as 48% of IPs took just one appointment, whilst only four (2%) firms took more than 20 appointments, and that these four firms were not more successful than the general trend [4a].[116] In 2014, similar patterns have been identified for pre-pack administration [4a].[117] These observations suggest a lack of continuous experience due to the infrequent provision of such services and indicate that some IPs are not exposed to current best practices [4a].[118] Hence, given the lack of studies on retail CVA, it may be useful for both retailers and their creditors to understand the impact of the experience of the insolvency practitioners on the success of a retail CVA.

4 | METHODOLOGY

The analysis is based on Companies House company information deposited between 1 July 2012 and 1 January 2021 reflecting 20 data time points (Figure 1) of the population of UK businesses. The selection of this period builds on previous research and responds to the call to use large longitudinal data samples for meaningful analysis of CVAs' long-term outcomes among UK retailers.[119] To select relevant retail companies, we used retail SIC codes – 47XXX – Retail trade except for 'Motor vehicles and motorcycles' ($n = 483{,}416$).[120] To identify retailers undergoing CVAs, we followed the conceptual framework shown in Figure 2.

For each company, the following data were collected:

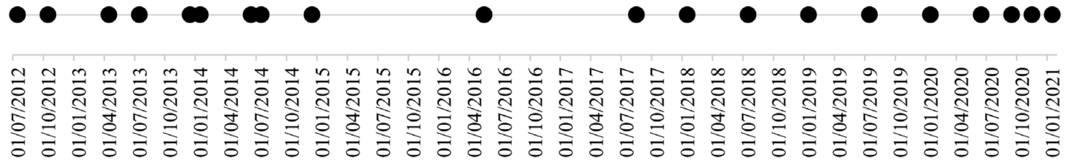

FIGURE 1 Data Points. Source: Authors' own research.

- Registered number, name and if applicable, previous company names;
- Sector: SIC 2007 retail codes were sourced and validated against publicly available industry news, which resulted in the identification of additional retailers using non-retail main SIC codes. While the intention was to investigate the whole population of retail CVAs, very few of them might have been missed as (1) identification of CVA cases was based on 20 data points and there might have been very short CVAs that started and ended between the data points or (2) the retailer was not identified as they use non-retail SIC codes and would have not been covered by industry news;
- Size of company: To assess if CVAs are increasingly used by large companies,[121] businesses undergoing CVAs were classified based on their Companies House' reporting requirements and broader Internet searches as 'small' (micro and small companies)[122] or 'non-small' (any other company);
- Company status: To identify companies undergoing CVAs and other insolvency procedures, the Companies House' Company Status was used. Based on that 284 companies subject to CVAs were identified. Given the recency bias resulting from the fact that the Companies House snapshot data do not consider the 21-day filing deadline or the 31-day extended

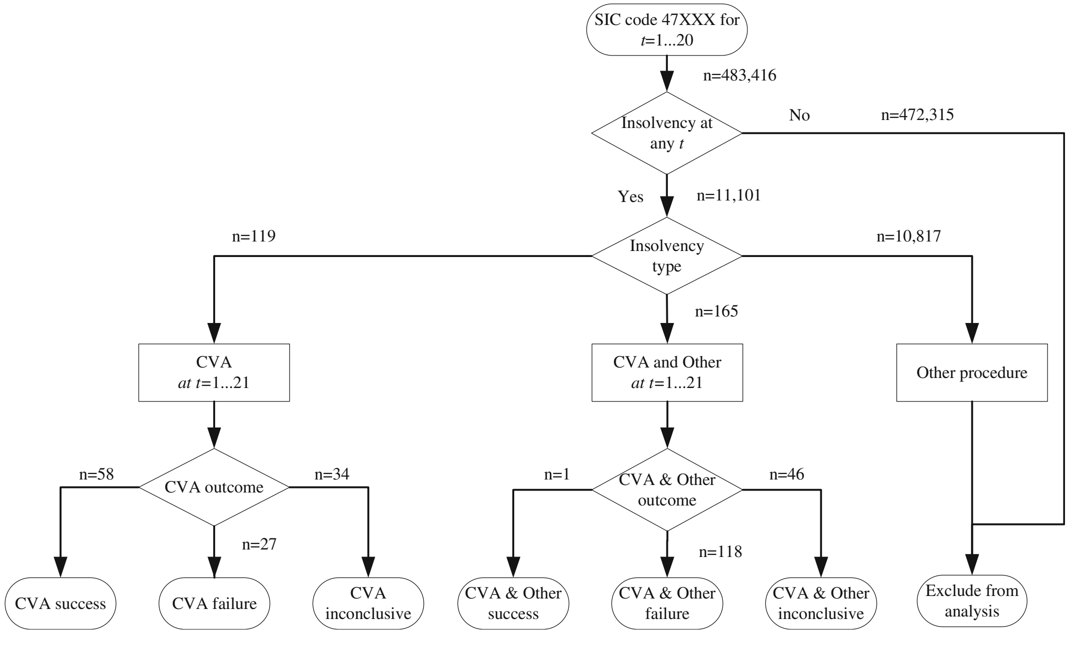

FIGURE 2 Framework for Identification of Retailers undergoing CVAs. Source: Authors' own research.

deadline,[123] for all companies subject to CVA the Company Status was additionally checked as at 16 March 2022;
- CVA start and end date (if applicable): While the data point analysis provided useful information about the status as at these dates, the detailed duration of CVAs was calculated based on CVA1, CVA2 and CVA4 submitted forms.[124] For companies that have undergone multiple CVAs only the end status and duration of the most recent CVA was considered. For ongoing CVAs as at the 20th data point, the CVA status was checked as at 16 March 2022;
- CVA status: For all finished CVAs the CVA2 and CVA4 forms were checked to distinguish between Fully Implemented, Suspended, Revoked and Terminated CVAs. A CVA was classified as Completed if as per CVA4 form, it was Fully Implemented in accordance with the agreement or its subsequent approved amendments. All other finished CVAs were classified as Terminated. These included (1) Termination due to non-compliance with the CVA, (2) stopping the CVA as the company has been wound up or the CVA has been directly replaced by a different insolvency procedure (in such case alternative forms were used to determine the actual end date) or (3) revoking or suspending the CVA. All CVAs in progress as at 1 January 2021 were classified as Ongoing.
- Particulars of the IP carrying out the CVA (individuals' names and names of their firms) were sourced using the CVA1 form, CVA-related subsequent filing or publicly available information. In case of changes of IPs, the latest IP names and firms were used. Related IP firms were then clustered as one. If the IP firm was acquired, the most recent company of the IP was used for analysis.[125]

Data on legal forms and registered locations have been collected and subsequently excluded from further analysis. That was because 99% of companies were identified as 'private limited companies' and 90% of companies were registered in England & Wales.

To assess CVA results, we separated the direct CVA's outcome from the procedure's efficiency by applying two criteria:

- Criterion 1 – CVA status: CVA's direct outcome measured based on the CVA's status[126] (Completed, Terminated or Ongoing CVAs) to determine the Success being a Completed CVA and
- Criterion 2 – Company Status: The CVA's efficiency – that is, long-term business survival that was measured based on the Company Status as at 1 January 2021 (or in case of CVAs ongoing as at 1 January 2021, we used the company status as at 16 March 2022).[127]

While Criterion 1 – CVA status may serve as an acid test, the long-term Company Status (Criterion 2) provides greater confidence as to the impact of the CVA procedure on the wellbeing of the business. Hence, for Criterion 2, the companies were classified depending on the insolvency procedures observed during the analysis period and the direct outcome of the CVA as at 16 March 2022 for the more recent ones:

- Successful recovery attributable to CVA – Following a CVA, the company is trading and coded in Companies House as 'Active';
- Successful recovery attributable to CVA and other insolvency procedures – Following a CVA and other insolvency procedures, the company which was trading was coded as 'Active';
- Unsuccessful recovery attributable to CVA – Following a CVA, the company was either: (1) struck off, (2) included in the Companies House as 'Active – Proposal to strike off' for at

least one period or (3) included in the Companies House as 'Active' for four or fewer periods and then struck off;
- Unsuccessful recovery attributable to CVA and other insolvency procedures – Following a CVA, the company was coded as 'Administration' and/or 'Liquidation' and struck off;
- Inconclusive results – Ongoing CVA as at 16 March 2022 – the company was coded as 'CVA';
- Inconclusive results – CVA as at 16 March 2022 leading to other ongoing insolvency procedures – the company was coded as 'Administration' or 'Liquidation'.

5 | RESULTS OF CVA S IN THE UK RETAIL MARKET

Among retail businesses encountering difficulties, a minority used CVAs with the majority choosing more radical insolvency procedures. The following section provides a detailed data analysis of CVA cases. It is structured in response to the research questions listed in Section 3 using either one or both outcome criteria.

Q1: In the retail sector, has the uptake of CVAs been increasing?

Contrary to observations by BPF and IPs,[128] the number of retailers undergoing various types of insolvency procedures was lower in 2020 than it was at its peak in 2014. There were around 80 ongoing in 2020, the same as at the start of the analysis period in 2012. The CVA uptake, in terms of new CVAs starting, despite an increase in 2018 has stabilised in 2019 at a similar level to 2012 and fallen moderately in 2020 (Figure 3).

Q2: To what extent do CVAs help avoid business failure in the retail sector?

Using Criterion 1 revealed that, of 284 retailer CVAs starting prior to 1 January 2021, only 32% were Fully Implemented by 16 March 2022, while 56% were Terminated, which is below the termination rate observed in 2018 relating to the whole economy concluding that 65% of all CVAs were terminated.[129] Figure 4 shows that between 2012 and 2016, annually between 17% and 32% of CVAs were Fully Implemented. The situation improved in 2017 and 2018 when 45–50% of CVAs were Fully Implemented to fall again in 2019 to 27%. Contrary to what, one may expect given the lockdown restrictions, 2020 results were much better with 52% of retailers Fully Implementing their CVAs. Even more optimistic are the immediate outcomes of the CVAs starting before 1 January 2021, but ending between 2 January 2021 and 16 March 2022 suggesting that 60% of all finished CVAs were Fully Implemented.

Criterion 2 revealed that of 284 retailer CVAs starting prior to 1 January 2021, by 16 March 2022, only 119 (42%) were going only through a CVA only. Of these, 58 survived (49%), 27 failed (23%) and 34 (28%) were still undergoing a CVA. Of the 165 (58%) companies that used CVA and other insolvency procedures, only one was successful, 118 (71%) failed and 46 (28%) were still going through the CVA process. These observations are in line with past whole market research.[130] It is noteworthy that 28% of all CVAs starting before 1 January 2021 are still ongoing with or without other insolvency procedures (80 cases), which is far above the previously identified levels.[131]

As there is no recent data on long-term outcomes of all UK CVAs, there is no evidence to ascertain if the retail CVAs' success rate and the scale of ongoing CVAs are sector-specific or symptomatic for the whole economy. Nevertheless, given that, among companies using CVAs together with or followed by other insolvency procedures, only one business survived, it would be reasonable to expect that many of the companies undergoing CVAs and other insolvency

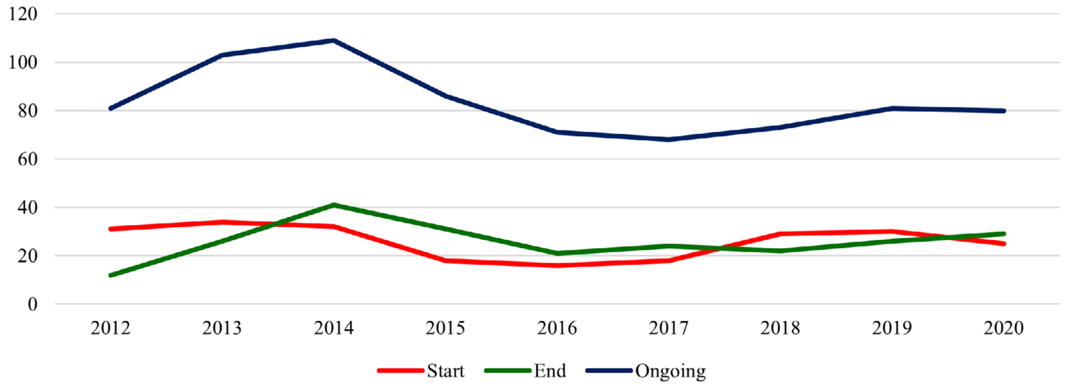

FIGURE 3 Number of Retailers' CVAs. Source: Authors' own research.

procedures are highly unlikely to recover. Overall, the 2012–2020 analysis suggests a moderate, but somewhat improving efficiency of CVAs.

The annual analysis of long-term outcomes for finished CVAs indicates that the survival rate between 2012 and 2019 has been gradually increasing from some 8% to 27% (Figure 5) with 38% of those finished in 2020 ending up with a recovered business. To remove the recency bias and to gain a better understanding of the 52 CVAs still ongoing in 2020, the company status was checked as at 17 March 2022. By then, 34 companies (66%) were still undergoing a CVA, which is not surprising given the average duration of finished CVAs of 26 months. Of the companies out of the CVA process, only nine (17%) companies were Active and nine (17%) were either dissolved, undergoing administration or liquidation, suggesting a CVA Full Implementation rate of 50%. Overall, of the 90 companies for which the CVA was Fully Implemented only 61% were still Active, suggesting that Full Implementation, although crucial, does not guarantee a longer-term business survival (Figure 6). Nevertheless, despite the limited efficiency of CVAs, the procedure does help some companies to avoid business failure.

Q3: Has the duration of CVAs increased over time?

During the period analysed, the average CVA duration stood at 27 months (including ongoing CVAs), with small retailers' average of 30 versus non-small of 16 months. For finished CVAs

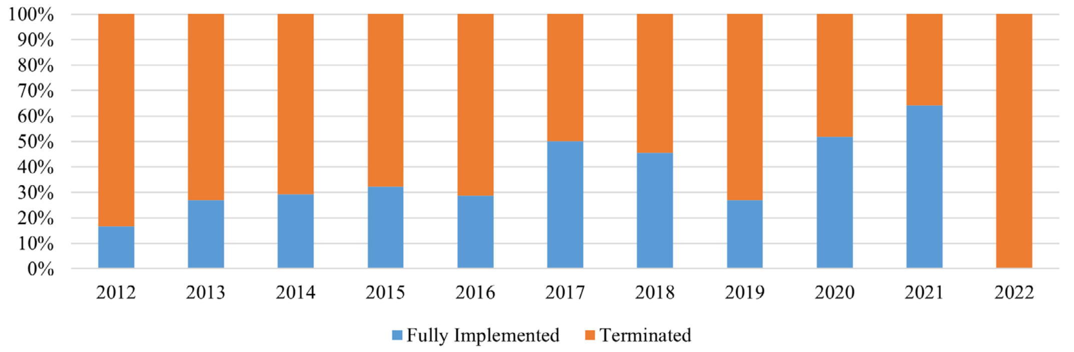

FIGURE 4 Proportion of CVAs ending between 2012 and 2020 by CVA End Status. 2021 and 2022 data relates to CVAs starting during the analysis period (mid-2012-early 2021). Source: Authors' own research.

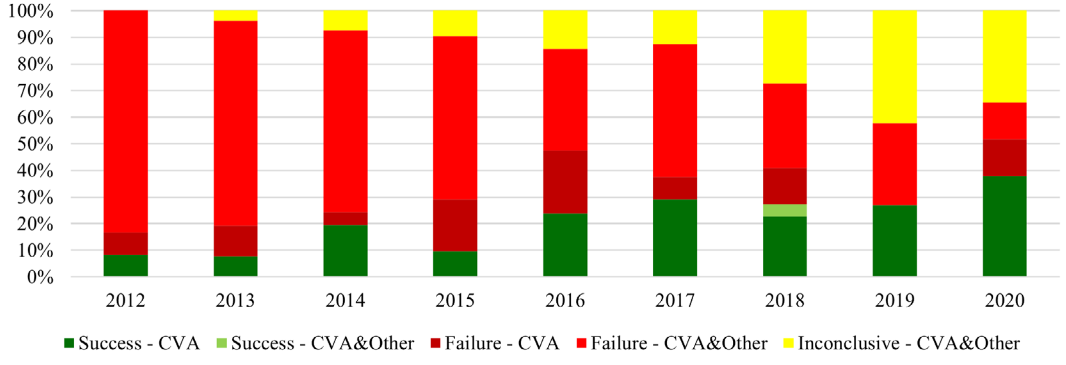

FIGURE 5 Number of CVAs ending between 2012 and 2020 by Company Status. Source: Authors' own research.

(Fully Implemented and Terminated), the overall average duration stood at 26 months with 28 months for small and at 13 months for non-small companies. However, the duration of CVAs has been changing over time. Overall, the CVAs ending in 2012 lasted 15 months. Since then, the duration has been increasing to 34 months in 2017. In 2018, it has decreased to 23 months and stabilised since then at around 23–26 months.

Other interesting observations were made when we overlaid observations based on both criteria—Full Implementations with Successes and Terminations with Failures. Between 2012 and 2017 the duration of Fully Implemented CVAs has been increasing from 24 to 46 months, reducing from then on to 24 months in 2021 (Figure 7). A similar pattern was observed for the Company Survival with CVA only and with CVA accompanied by other insolvency procedures (Pearson's correlation coefficient of $r = 82\%$), suggesting that a Fully Implemented CVA can be a reasonable predictor for the survival of the business. For Terminated CVAs, the duration has been increasing up until 2016 from 13 months to 30 months to reduce then and stabilise around 20 months.

Contrary to that, the average duration of CVAs for companies failing, despite CVA or CVA accompanied by other insolvency procedures, increased dramatically between 2012 and 2017 (from 21 to 89 months) to reduce sharply in 2019 to 28 months. Since then, the Terminated CVAs' duration has been increasing. This strong discrepancy between Terminations and the eventual failure of the company (Pearson's correlation coefficient of $r = 39\%$) suggests that, between 2016 and 2018, instead of catalysing rapid business turnaround, CVAs have been dragging with little hope for business improvement. Data from 2021 indicate that this is still the case. Overall, the above suggests volatility in CVAs' duration with no clear signs of increase.

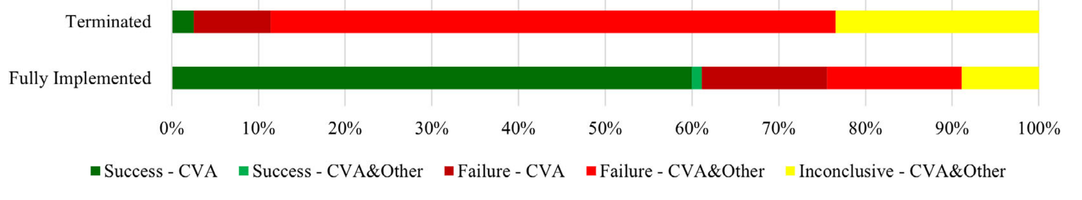

FIGURE 6 CVA's End Status by Company Status. Including CVA status post 1 January 2021. Source: Authors' own research.

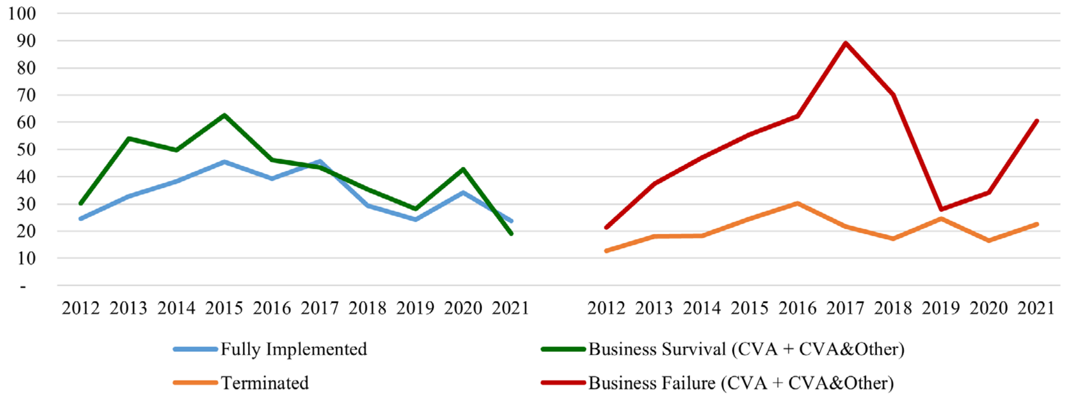

FIGURE 7 Average Duration (in Months) of CVAs ending each year by CVA Outcome and the Company Status. Source: Authors' own research.

Q4: Are longer CVAs associated with lower business survival?

To respond to this question similar to Q2, we used the CVA outcome (Criterion 1) and Company Status (Criterion 2). Overall, Fully Implemented CVAs lasted on average 37 months as opposed to Terminated CVAs lasting on average 22 months. Surviving CVA businesses went through this process on average for 38 months, while failing ones went through substantially shorter CVAs (24 months). Same pattern was observed for Fully Implemented CVAs, where the ultimately surviving businesses went through 39 months long CVAs versus 33 months among the failing businesses. This would suggest that longer CVAs are not associated with lower business survival. However, this is a more nuanced matter, which holds for small, but not for non-small companies (Figure 8). For small companies, the Fully Implemented CVAs leading to a company's success were substantially longer than under other circumstances (45 months). In the contrary, for non-small companies, the Fully Implemented CVAs of surviving companies were as short as 13 months.

Q5: Is CVAs' uptake by non-small retail companies increasing?

Analysed data confirm that the CVA uptake among non-small retailers has increased during the analysis period. As shown in Figure 9, the share of non-small retailers undergoing CVA until end of 2017 was between 0% and 19%, which is broadly in line with previous observations.[132] However, since then, the share of non-small companies using CVAs has been increasing to reach 48% in 2018, 33% in 2019 and as high as 56% in 2020 strongly supporting recent observations[133] and explaining the perception of the recently increasing use of CVA in the retail sector.[134]

Q6: Following a CVA, are small retail companies less likely to survive than large retail companies?

To understand if following CVAs, small companies are less likely to survive than large companies, similar to Q2, we used two criteria. Criterion 1 based on the CVA status showed no statistically significant differences between small and non-small companies (at 0.05) with around 32% of CVA ending Fully Implemented (Figure 10). Similarly, for Company Status (Criterion 2), we found no significant differences with the business survival s rate for small companies at 21% versus 19% among the non-small companies (Figure 11). Either way, the survival rate of small retail companies is significantly above the previously observed 14.9%.[135] and there is no

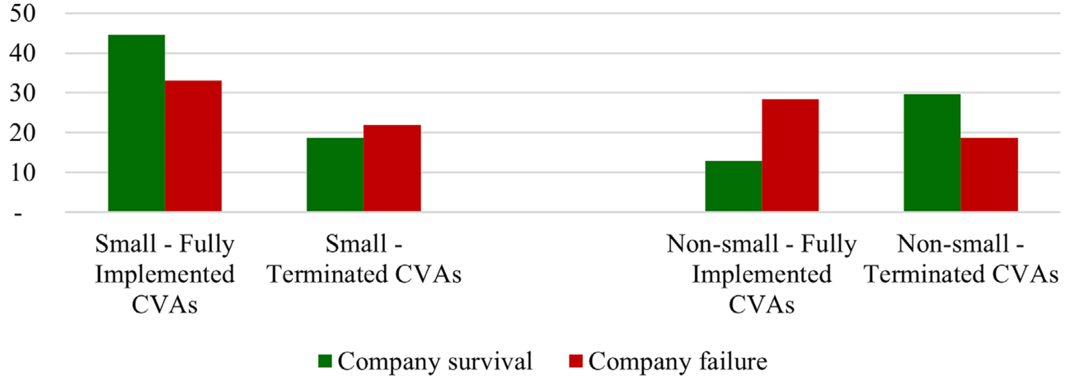

FIGURE 8 Average Duration (in Months) of Finished CVAs by CVA Result and Company Status. Source: Authors' own research.

evidence to suggest that, following a CVA, small companies would be less likely to survive than large companies.

Q7: How does CVA uptake vary across retail sub-sectors?

The retail CVA uptake by sub-sector has been analysed based on relative and absolute frequency. Nationally every 0.9 per 10,000 companies uses CVAs (Figure 12). Footwear retailers have been by far the most active users of CVAs (8.1 companies per 10,000), followed by Furniture and lighting stores (3.5 companies per 10,000). Not surprisingly, the CVA uptake was the lowest among Mail order & Internet companies (0.2 companies per 10,000), Other non-store retailers (0.4 companies per 10,000) and Beverage or tobacco (0.5 companies per 10,000). The CVA uptake for Clothing retailers standing at 1.8 companies per 10,000, while still well above the national average has been in the media spotlight, due to a few national players dramatically affecting local markets.[136]

As shown in Figure 13, clothing retailers constituted the largest category of CVA users (38 companies, 13%). This is not surprising given that clothing retailers are the largest category after other non-specialised stores and non-store and mail order and internet retailers. Numerous CVAs were observed among furniture and lighting (30), other non-specialist (29) and other new specialist store retailers (28), and perhaps surprisingly among retailers selling via mail

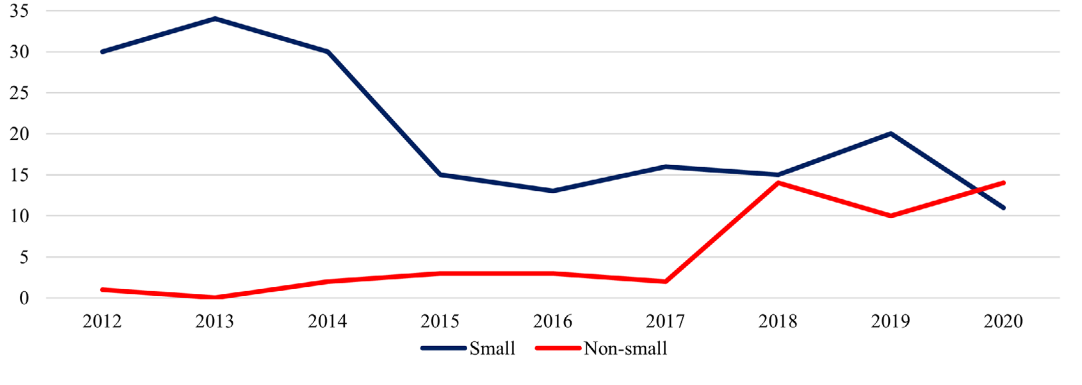

FIGURE 9 Retail CVA Uptake by Small and Non-small Companies. Source: Authors' own research.

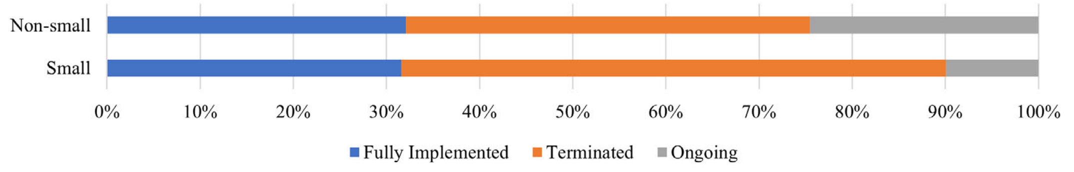

FIGURE 10 CVA Outcome by Company Size. Source: Authors' own research.

order houses or via internet (20). The 13 footwear CVAs, although among the top 10 categories, were less frequent and only made up 5% of all CVAs.

Q8: Post-CVA, how does survival vary across retail sub-sectors?

Overall, the analysis of sub-sector outcomes of CVAs suggests strong variation (Figure 13). Clothing and footwear retailers are among the heavily affected categories, but also among those, where survival rate following CVAs is below the national average of 29% of all finished CVAs (clothing – 15%, footwear – 25%). Given that 47% of fashion retailers' CVAs are still in progress, one may expect that the efficiency of using a CVA procedure may be illusory for this sub-sector. On the other hand, the recovery has been stronger (above 40%) in sub-sectors such as hardware, paints and glass; carpets and floor coverings; mail order and internet retailers, other and other new specialised store retailers.

Q9: What is the impact of the experience of the insolvency practitioners on the success of a retail CVA?

As previously observed,[137] the insolvency practice market is polarised. We identified as many as 122 insolvency practices in charge of retail CVAs, suggesting on average 2.3 CVA cases over a period of 8.5 years. As many as 107 (88%) of the insolvency companies worked on three or less CVAs and nearly all of them were UK local companies. On the other hand, the remaining 15 (12%) companies serviced 52% of all cases (8 practices worked on four or five CVAs and 7 on ten or more cases).

For the purposes of further analysis, only the top 15 insolvency practices (Experienced Insolvency Practices [EIP]) were analysed, assuming that 4 or more CVAs cases should provide at least some confidence on the practices' experience. While CVAs are overseen by individual IPs, for the purposes of this study, we assumed the company behind the IP to be a reasonable proxy for their experience. Among these EIPs, seven were UK specialised practices and eight were international mainstream accountancy and financial consulting firms. Given the complexities of the CVAs of large retailers, as expected, we found that the EIPs worked on 87% of all non-small retailers' CVAs, which constituted 31% of their CVA clients.

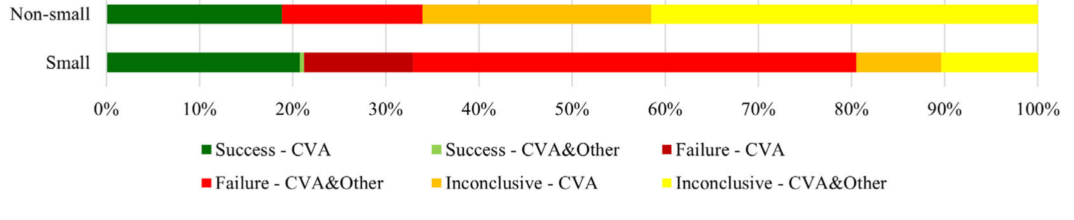

FIGURE 11 Company Status by Company Size. Source: Authors' own research.

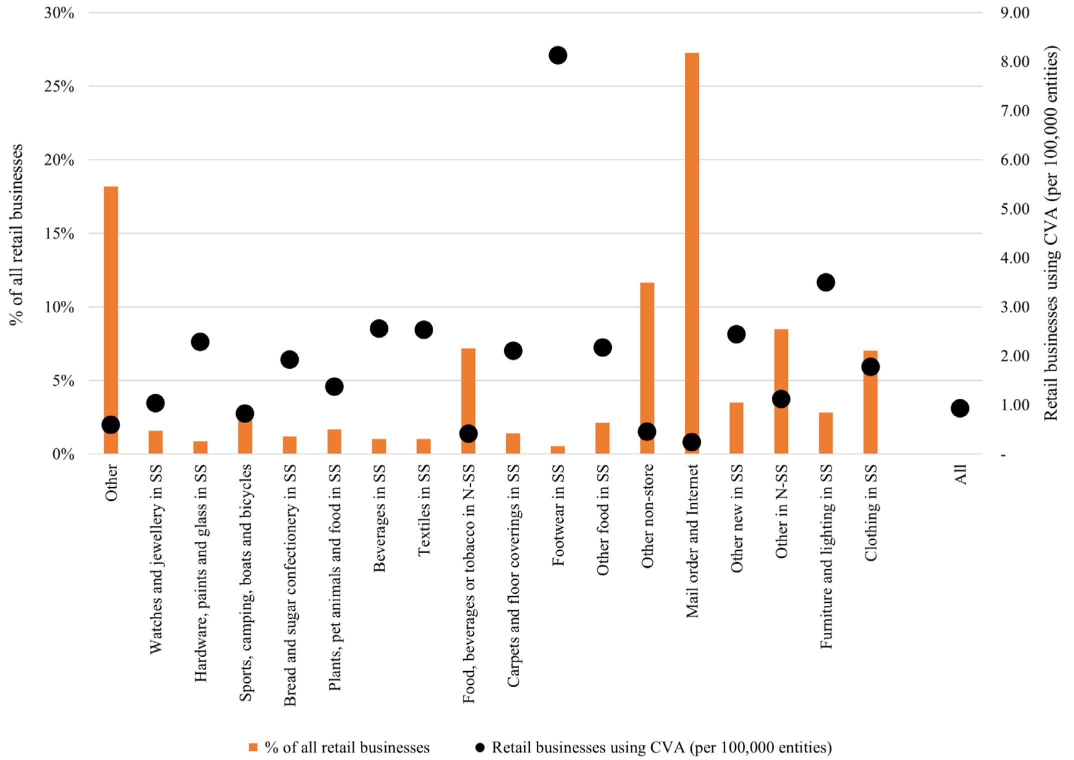

FIGURE 12 Share of Retail Companies (%) and CVA Use by Sub-sectors (Entities per 100,000, based on the Number of Entities as at 1 January 2021). Source: Authors' own research.

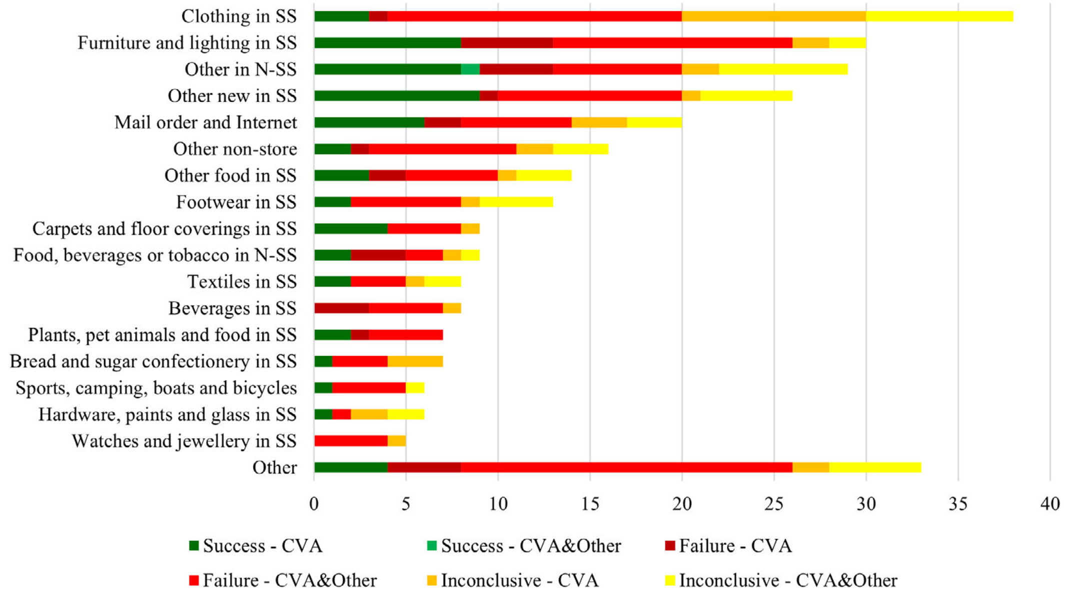

FIGURE 13 Retail CVAs by Sub-sectors and Company Status. Source: Authors' own research.

While among both the EIPs and all other practices, the success rates measured based on CVA's immediate outcome (Full Implementation) and Company Status (business survival) vary from 0% to 100%, the EIPs seem to perform better when it comes to finishing their work. The percentage of Fully Implemented and Terminated CVAs among EIPs stood at 35% versus 28% among other practices. For the finished CVAs, the share of Fully Implemented among EIPs stood at 41% versus 31% among other practices. Among the EIPs for non-small companies, 46% of CVAs were Fully Implemented versus 39% for small companies. Among other consultancies, none of the non-small company CVA was Fully Implemented.

Analysis of the Company Status reinforces these observations. Retailers engaging EIPs are somewhat more likely to survive the CVA (33% vs 25% for companies appointing other practices). EIPs seem to deliver superior results for non-small companies with as many as 59% of the retailers still Active at least a year after the CVAs process has been finished. In line with previous studies,[138] the above suggests that not only EIPs tend to perform better during the CVA process, but, more importantly, these CVAs prepare the retailers better for longer-term survival. Hence, the experience of IPs is critical for implementation of a retail CVA.

6 | CONCLUSION AND FURTHER RESEARCH

In the context of grim industry news, the aim of the research is to assess if CVA can be viewed as a remedy for struggling UK's retailers and to understand the uptake of CVAs. Our observations suggest that CVA is a useful tool for 'rescuable' companies. However, the CVA is not a solution for the majority of retailers in distress. While retail CVAs can help to avoid business failure, too frequently they are not Fully Implemented. Even if Fully Implemented, this outcome does not always translate into long-term business survival. This is important because CVAs can also have negative impact on landlords and other suppliers. They can also have wider impacts on retail real estate returns. Together this suggests that improvements in implementation or more efficient insolvency procedures could be considered to rescue businesses.

In contrast to anecdotal evidence indicating increasing use of CVAs by retailers, our data suggest that over recent years, and in particular, in the wake of the Covid pandemic, the overall uptake has not changed materially. However, we confirmed that the share represented by large retailers has increased. This is of concern because large companies' CVAs have the potential to have a much larger negative impact on the retail real estate market. Past research suggested that small companies undergoing CVAs were less likely to recover than large ones. However, our evidence suggests no significant differences in the efficiency of CVAs between the small and large retailers.

While this article has not investigated the detailed results of CVAs for large retailers, favourable terms for these larger retailers inevitably drive major changes to high streets and shopping malls and their increasing prevalence raises concerns on fairness and negative externalities of CVAs even if they are not successful. In line with suggestions to limit CVA application to small companies and more recent calls for CVA reforms,[139] the limited success of CVAs in large retailers found by this research reinforces the need to question if the CVA procedure should be applicable for them. This research can inform deliberations on potential policy and regulatory changes to improve fairness and efficiency of the CVA procedure. It may also inform decisions of individual retailers, real estate investors, creditors and IPs seeking more balanced solutions.

While, despite the market challenges, the length of CVAs is not increasing, we observed that longer CVAs are more frequently unsuccessful than shorter ones. This confirms that CVA as currently managed is not a remedy for more fundamental business issues.

Nevertheless, despite the fact that the whole sector is under consistent pressures from e-commerce and changing shopping habits, we observed different rates of uptake and success across various retail sub-sectors. For some merchandise categories, particularly clothing, high rates of uptake and low rates of business survival suggest that CVA is particularly inefficient for them and that changes in implementation or other solutions are needed.

Finally, in line with the past research suggesting limited familiarity and experience of IPs, we found that in the highly fragmented insolvency practice market, the experience of IPs matters for rescuing retailers undergoing CVAs. This indicates that greater emphasis should be put on the selection of the IPs and more widely on their training.

Our results indicate important areas for further research into specific differences in implementation procedures that may explain higher success rates among CVAs supervised by experienced practitioners in order to understand best practice. Other factors to investigate include the specific causes of business distress where the directors chose CVAs over other procedures and how they appoint IPs. Further quantification of the implications of CVAs for the brick-and-mortar retail and retail real estate value would also be valuable.

Moreover, our research indicated very limited literature on hospitality and accommodation businesses, operating now more than ever in a volatile environment. These businesses having observed some retailers' success in renegotiating their leases are now increasingly using CVAs to improve their financial position. We expect that our methodology will be transferable and our findings will also inform future studies in these sectors.

ENDNOTES

[1] Piers Wehner, 'Kurt Geiger steps up expansion plans amid falling rents' (*EGi*, 25 January 2022), available at: <https://www.egi.co.uk/news/kurt-geiger-steps-up-expansion/>; Miya Knights, Ewa Sikora and Malgorzata Caban, 'Top 5 Retail Tech Trends for 2022' (*Objectivity*, 2022), available at: <https://www.objectivity.co.uk/media/rh5dukdw/objectivity_top-5-retail-tech-trends-report.pdf>.

[2] Paul Norman, 'Asos Buys Topshop and Miss Selfridge and Discards All 70 Shops' (*CoStar*, 1 February 2021), available at: <https://product.costar.com/home/news/shared/749771981?utm_source=newsletter&utm_medium=email&utm_campaign=breaking&utm_content=p1>.

[3] Stephen Springham, 'CVAs: the elephant in the room' (*Knight Frank*, 24 September 2018), available at: <https://www.knightfrank.com/research/article/2018-09-24-cvas-the-elephant-in-the-room–research>.

[4] Grazyna Wiejak-Roy et al., 'The Influence of Retail Structural Change in the Evolution of Sector Allocations in Commercial Real Estate Investment Portfolios' (*Investment Property Forum*, 2019), available at: <https://www.ipf.org.uk/resourceLibrary/chopping-shopping--implications-of-retail-structural-change-on-sector-allocations--december-2019--summary-report--.html>.

[5] Laurence Raeburn-Smith, 'CVA Briefing 2019' (*British Property Federation*, 2019), available at: <https://bpf-stage.wearewattle.com/media/2630/bpf-cva-briefing-2019.pdf>.

[6] 'Company voluntary arrangement research report for the Insolvency Service' (*Insolvency Service*, 2022), available at: <https://www.gov.uk/government/publications/company-voluntary-arrangement-cva-research-report-for-the-insolvency-service>.

[7] Mark Addley and Kim Milward-Oliver, 'CVAs in focus: who is impacted?' (2019) 12(6) *Corporate Rescue and Insolvency* 203–206.

[8] 'UK Retail Outlook Report - UK Commercial – Summer 2021' (*Savills*, 2021), available at: <https://pdf.euro.savills.co.uk/uk/commercial-retail-uk/uk-retail-outlook-report—2021.pdf>.

[9] Idem.

[10] Insolvency Act 1985; Adam Gould, 'What's the future for company voluntary arrangements?' (2010) 26(5) *Strategic Direction*, available at: <https://doi.org/10.1108/sd.2010.05626eab.002>.

[11] Geoffrey Weisgard and Michael Griffiths, *Company Voluntary Arrangements and Administrations* (third edn) (Jordans, 2013); Peter Walton, Chris Umfreville and Lézelle Jacobs, 'A snapshot of company voluntary arrangements: Success, failure and proposals for reform' (2020) 29(2) *International Insolvency Review* 267–284.

[12] John Tribe, '*The Extension of Small Company Voluntary Arrangements: A Response to the Conservative Party's Corporate Restructuring Proposals'* in Paul Omar (ed), *International Insolvency Law: Reforms and Challenges* (Routledge, 2013); Anna Jeffrey, 'Company voluntary arrangements: landlord issues and remedies' (2018) 11(2) *Corporate Rescue and Insolvency* 60–61; Chris Umfreville and Peter Walton, '15 years of the Enterprise Act 2002 insolvency reforms: reflection and thoughts on future reform' (2019) 2(56) *Insolvency Intelligence* 56–58.

[13] Insolvency Service (above note 6).

[14] Insolvency Service (above note 6); Laurence Raeburn-Smith, 'CVA Briefing 2021' (*British Property Federation*, 2021), available at: <https://bpf.org.uk/our-work/research-and-briefings/bpf-cva-briefing-2021/>.

[15] For details on the CVA controversy, see Raeburn-Smith (above note 5); Insolvency Service (above note 6); Raeburn-Smith (above note 14); Kirsty McGregor, 'CVAs: Saviour or stay of execution?' (*Drapers*, 8 April 2016), available at: <https://www.drapersonline.com/insight/analysis/cvas-a-mutually-beneficial-arrangement>; Ian Fletcher, 'Restoring faith in retail CVAs?' (2017) (Autumn) *Recovery Magazine* 7; Judith Evans and Jonathan Eley, 'Landlords file challenge to House of Fraser CVA' (*Financial Times*, 20 July 2018), available at: <https://www.ft.com/content/cdef6350-8c31-11e8-bf9e-8771d5404543>; Elias Jahshan, 'Landlords slam Clarks over CVA rental terms' (*Retail Gazette*, 8 November 2020), available at: <https://www.retailgazette.co.uk/blog/2020/11/landlords-slam-clarks-over-cva-rental-terms/>; Mark Ingram, 'Lease and persist: assessing claims in preparation for a CVA' (2020) (Spring) *Recovery Magazine* 34–35; James Wallace, 'CVAs in the Spotlight: Retailer's Misuse an Increasing Concern' (*CoStar*, 23 November 2020), available at: <https://www.costar.com/article/793688811/cvas-in-the-spotlight-retailers-misuse-an-increasing-concern>; Ben Klinger and Mark Allan, 'Increasingly Popular CVAs Are Ripe for Reform' (*CoStar*, 21 October 2021), available at: <https://www.costar.com/article/6232110/increasingly-popular-cvas-are-ripe-for-reform>; Laurence Raeburn-Smith, 'CVA Briefing 2020' (*British Property Federation*, 2020), available at: <https://bpf.org.uk/media/3474/bpf-cva-briefing-2020.pdf>; Peter Walton, Chris Umfreville and Lézelle Jacobs, 'Company Voluntary Arrangements: Evaluating Success and Failure' (*R3 & ICAEW*, 2018), available at: <https://www.icaew.com/-/media/corporate/files/technical/insolvency/publications/cvas-evaluating-success-and-failure.ashx>.

[16] Kalyeena Makortoff, 'Primark takes on landlords in push for rent cuts' (*The Guardian*, 28 July 2019), available at: <https://www.theguardian.com/business/2019/jul/28/primark-takes-on-landlords-in-new-push-for-rent-cuts>.

[17] Hamish Anderson, *The Framework of Corporate Insolvency Law* (Oxford University Press, 2017); Geoffrey Yeowart, 'Encouraging company rescue: what changes are required to UK insolvency law?' (2009) 3(6) *Law and Financial Markets Review* 517–531; 'British Property Federation calls government for urgent review of CVAs' (*British Property Federation*, 7 June 2018), available at: <https://www.bpf.org.uk/media-listing/press-releases/british-property-federation-calls-government-urgent-review-cvas>.

[18] Insolvency Service (above note 6).

[19] Bryan Gladstone and Jennifer Lane Lee, 'The Operation of the Insolvency System in the UK: Some Implications for Entrepreneurialism' (1995) 7(1) *Small Business Economics* 55–66; David Brown, *Corporate Rescue: Insolvency Law in Practice* (John Wiley, 1996); Gary Cook, Naresh Pandit and David Milman, 'Formal Rehabilitation Procedures and Insolvent Firms: Empirical Evidence on the British Company Voluntary Arrangement Procedure' (2001) 7(4) *Small Business Economics* 255–271; John Tribe, 'Company voluntary arrangements and rescue: a new hope and a Tudor orthodoxy' (2009) 5 *Journal of Business Law* 454–487.

[20] Addley and Milward-Oliver (above note 7); Alice Hancock and Anna Gross, 'More than half of groups turning to CVAs still go under' (*Financial Times*, 13 January 2020), available at: <https://www.ft.com/content/9ee70646-3309-11ea-9703-eea0cae3f0de>.

[21] David Kirk, 'Five options when facing liquidation or insolvency' (*The Gazette*, 10 October 2018), available at: <https://www.thegazette.co.uk/all-notices/content/102274>; Georgia Quenby, 'Corporate insolvency: bringing balance to the force' (2020) (Autumn) *Recovery Magazine* 9–12; Central Government Guidance on Corporate Financial Distress (*Government Commercial Function*, July 2019), available at: <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/816631/20190710-Corporate_Financial_Distress.pdf>; Rowan Aspinwall and Barbara Webb, 'Company Voluntary Arrangements in real estate' (*LexisNexis Webinar*, 27 January 2020), available at: <https://www.lexiswebinars.co.uk/legal/commercial-property-law/company-voluntary-arrangements-in-real-estate-2020>.

[22] Cork Review Committee Report on Insolvency Law and Practice 1982 (Cmnd 8,558); Insolvency Act 1985; Insolvency Act 1986; Insolvency Act 2000; Insolvency (England and Wales) Rules 2016.

[23] Paul Omar and Jennifer Gant, 'Corporate rescue in the United Kingdom: past, present and future reforms' (2016) 24 *Australian Insolvency Law Journal* 40; Alexandra Kastrinou and Lézelle Jacobs, 'An Overview of the Pre-Insolvency Procedures in the United Kingdom and South Africa', in Jan Adriaanse and Jean-Pierre Van der Rest, *Turnaround Management and Bankruptcy* (Routledge, 2017); Jennifer Gant and Alexandra Kastrinou, 'The Impact of Austerity in the Framework of Corporate Rescue and the Rights of Workers in the EU: A Road to Recovery?' (2017) 26(2) *International Insolvency Review* 76–203.

[24] Keith Steven, Expert Guide to the Company Voluntary Arrangement Process (*KSA Group*, 2020), available at: <https://www.companyrescue.co.uk/fileadmin/uploads/cr/Documents/Company-voluntary-arrangement-CVA-guide-v3.pdf>; Edward Starling, 'Company Voluntary Arrangements in the UK – a Longer Tail than COVID?' (*WedlakeBell*, 27 March 2021), available at: <https://wedlakebell.com/company-voluntary-arrangements-in-the-uk-a-longer-tail-than-covid/>.

[25] Kastrinou and Jacobs (above note 23); Gerard McCormack, *Corporate Rescue Law – An Anglo-American Perspective (Corporations, Globalisation and the Law Series)* (Elgar Publishing, 2008); Alexandra Kastrinou (2016) 'Comparative analysis of the informal pre-insolvency procedures of the UK and France' (2016) 25(2) *International Insolvency Review* 99–118.

[26] Lorraine Conway, 'Company Voluntary Arrangements (CVAs)' (Briefing Paper Number 6944) (*House of Commons Library*, 2019), available at: < https://commonslibrary.parliament.uk/research-briefings/sn06944/>.

[27] Cook, Pandit and Milman (above note 19).

[28] Tim Mocroft, Graham Telling and Roslyn Corney, 'Companies cannot do it alone: An investigation into UK management attitudes to Company Voluntary Arrangements (CVAs)' (*Centre for the Study of Financial Innovation*, 2004), available at: <https://www.companyrescue.co.uk/fileadmin/uploads/cr/docs-pdf/Tim_Mocroft_report.pdf>.

[29] Cook, Pandit and Milman (above note 19).

[30] McCormack (above note 25).

[31] Conway (above note 26).

[32] Cook, Pandit and Milman (above note 19); Ian Fletcher, 'UK Corporate Rescue: Recent Developments - Changes to Administrative Receivership, Administration, and Company Voluntary Arrangements - the Insolvency Act 2000, the White Paper 2001, and the Enterprise Act 2002' (2004) 5(1) *European Business Organization Law Review* 119–151, available at: <https://link.springer.com/article/10.1017/S1566752904001193>; Mike Smith, 'CVAs: a breath of life for insolvent companies?' (*The Gazette*, 11 July 2017), available at: <https://www.thegazette.co.uk/all-notices/content/101176>.

[33] Insolvency Service (above note 6); Tom Entwistle, 'Victory for commercial landlords in latest High Court challenge' (*LandlordZone*, 15 June 2021), available at: <https://www.landlordzone.co.uk/news/victory-for-commercial-landlords-in-latest-high-court-challenge/#:~:text=The%20landlords%E2%80%99%20argument%20in%20Carraway%20Guildford%20%28Nominee%20A%29,trade%20suppliers%20at%20the%20expense%20of%20the%20landlords.>; Glen Flannery and Ben Bodmer, 'Pandemic-era CVAs and beyond' (2021)

(Summer) *Recovery Magazine* 14–16; Jeremy Ferris, 'Unpaid rent: how do judgments affect landlords?' (*Property Journal*, 26 August 2021), available at: <https://ww3.rics.org/uk/en/journals/property-journal/unpaid-rent–how-do-judgments-affect-landlords-.html>; Paul Norman, 'AllSaints CVA move of UK and US stores to turnover rents backed' (*CoStar*, 7 July 2020), available at: <https://www.costar.com/article/975594437/allsaints-cva-move-of-uk-and-us-stores-to-turnover-rents-backed>; Paul Norman, 'New Look Launches CVA Seeking Turnover Rents at 402 Stores' (*CoStar*, 26 August 2020), available at: <https://www.costar.com/article/1422752708/new-look-launches-cva-seeking-turnover-rents-at-402-stores>; Paul Norman, 'What Ever Happened to the Landlord Fight Against CVAs?' (*CoStar*, 8 June 2022), available at: <https://www.costar.com/article/201830139/what-ever-happened-to-the-landlord-fight-against-cvas>; Paul Davies, 'Brexit year one: retail dominates our diaries' (2021) (Spring) *Recovery Magazine* 33–34; Nick French, Malcolm Frodsham and Rikesh Parmar, 'Turnover-based Leases - Issues, Drivers and Challenges: A Survey of Current Practice' (*Investment Property Forum*, 2021), available at: <https://www.ipf.org.uk/static/a7f39b25-d771-4758-a7e9c85ac74274ab/Turnover-based-Leases-Survey-of-Current-Practice-October-2021-Summary-Report.pdf>; James Ballantyne, Georgina Grazebrook and Saagar Sachdev, 'Lessons in Retail Part One - The New Occupier Engagement Balance, Turnover Rents, and Understanding Insolvency' (*CoStar*, 17 March 2021), available at: < https://product.costar.com/home/news/1414544977>.

[34] Weisgard and Griffiths (above note 11).

[35] Weisgard and Griffiths (above note 11); Aspinwall and Webb (above note 21); McCormack (above note 25); Fletcher (above note 32); Ian Wallace and Chris Edgington, 'Arcadia Group CVAs: given the green light' (White & Case, 1 July 2019), available at: <https://www.whitecase.com/sites/default/files/2019-06/nb-arcadia.pdf>; 'CVA Factsheet' (*Harrisons*, 2017), available at: <https://harrisons.uk.com/files/updated/Company%20Voluntary%20Arrangement.pdf>.

[36] McCormack (above note 25); Harrisons (above note 35); Seung-Hyun Lee, Mike Peng and Jay Barney, 'Bankruptcy law and entrepreneurship development: A real options perspective' (2007) 32(1) *Academy of Management Review* 257–272.

[37] McGregor (above note 15); Smith (above note 32); Mike Smith, 'Insolvent companies and the pressures on directors' (*The Gazette*, 20 September 2016), available at: <https://www.thegazette.co.uk/all-notices/content/100792>.

[38] Chrispas Nyombi, 'Employees' rights during insolvency' (2013) 55(6) *International Journal of Law and Management* 417–428.

[39] Walton, Umfreville and Jacobs (above note 15); McCormack (above note 25); Wallace and Edgington (above note 35).

[40] Steven (above note 24); McCormack (above note 25); Smith (above note 32); Harrisons (above note 35); 'Corporate insolvency: Company Voluntary Arrangements (CVAs) explained' (*Harper James Solicitors*, 23 January 2020), available at: <https://hjsolicitors.co.uk/article/understanding-company-voluntary-arrangements/>.

[41] Cook, Pandit and Milman (above note 19).

[42] Fletcher (above note 32); Wallace and Edgington (above note 35).

[43] Keith Steven, 'Understanding the company voluntary arrangement' (*The Gazette*, 14 August 2014), available at: <https://www.thegazette.co.uk/all-notices/content/205>.

[44] Gould (above note 10); Steven (above note 24); 'England and Wales: Schemes of arrangement, restructuring plans and voluntary arrangements' (*Allen & Overy*, October 2020), available at: <https://www.allenovery.com/global/-/media/allenovery/2_documents/practices/restructuring/restructuring_across_borders_final/england_schemes_and_cva.pdf>.

[45] Wallace and Edgington (above note 35).

[46] Tribe (above note 12).

[47] Under other insolvency procedures, directors may be reported under the Company Directors Disqualification Act 1986.

[48] Fletcher (above note 32); Wallace and Edgington (above note 35); Sarah Paterson and Adrian Walters, 'Selective Corporate Restructuring Strategy' (2022), available at: <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3924225>.

[49] Gary Cook, Naresh Pandit and David Milman, 'A resource-based analysis of bankruptcy law, SMEs and corporate recovery' (2011) 30(3) *International Small Business Journal* 275–293.

[50] Jennifer Payne, 'Debt restructuring in English law: lessons from the United States and the need for reform' (2014) 130 *Law Quarterly Review* 282–305; Archie Hall and Jonathan Eley, 'Clintons sold out of administration' (*Financial Times*, 4 December 2019), available at: <https://www.ft.com/content/4e171d82-16bc-11ea-8d73-6303645ac406>; Kastrinou and Jacobs (above note 23).

[51] Richard Bottomley, 'What are Company Voluntary Arrangements (CVAs)?' (*3 Hare Court*, 2020), available at: <https://www.3harecourt.com/what-are-company-voluntary-arrangements-cvas/>; Steven (above note 43).

[52] Raeburn-Smith (above note 5).

[53] Rule 15.31(3), Insolvency (England and Wales) Rules 2016.

[54] Umfreville and Walton (above note 12); Raeburn-Smith (above note 14); Walton, Umfreville and Jacobs (above note 15); Peter Walton and Chris Umfreville, 'Bargain Hunt – CVAs and the future of corporate rescue' (2020) (Spring) *Recovery Magazine* 24–25.

[55] Smith (above note 32).

[56] Raeburn-Smith (above note 5); Walton, Umfreville and Jacobs (above note 15); Harrisons (above note 35).

[57] Raeburn-Smith (above note 5).

[58] Brenna O'Roarty and Alan Billingsley, 'Exploring New Leasing Models in an Omni-Channel World (*International Council of Shopping Centres*, 2016), available at: <https://ec.europa.eu/competition/antitrust/e_commerce_files/international_council_of_shopping_centers_en.pdf>; Anna Robaton, 'The Future of Shopping Center Industry, Envision 2020' (*International Council of Shopping Centers*, 2018), available at: <https://www.icsc.com/uploads/default/Envision-2020-Report.pdf>.

[59] Umfreville and Walton (above note 12); Walton, Umfreville and Jacobs (above note 15); Harrisons (above note 35); Cook, Pandit and Milman (above note 49); Gary Cook and Keith Pond, 'Explaining the choice between alternative insolvency regimes for troubled companies in the UK and Sweden' (2006) 22(1) *European Journal of Law and Economics* 21–47; Insolvency and Corporate Governance (*Department for Business*, *Energy*, *& Industrial Strategy*, 26 August 2018), available at: <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/691857/Condoc_-_Insolvency_and_Corporate_Governance_FINAL_.pdf>.

[60] Smith (above note 32).

[61] Harrisons (above note 35).

[62] Raeburn-Smith (above note 14).

[63] Walton, Umfreville and Jacobs (above note 15).

[64] Statement of Insolvency Practice 3.2 England and Wales Company Voluntary Arrangements (*ICAEW*, 1 April 2021), available at: <https://www.icaew.com/-/media/corporate/files/technical/insolvency/regulations-and-standards/sips/england/sip-3-2-company-voluntary-arrangements-england-and-wales.ashx>.

[65] Raeburn-Smith (above note 5).

[66] Laurence Raeburn-Smith, 'Insolvency Engagement Document', (*British Property Federation*, 2020), available at: <https://bpf.org.uk/our-work/research-and-briefings/bpf-cva-red-flag-clauses-insolvency-engagement-guidance/>.

[67] John Cook, 'Are CVAs facing eviction?' (2021) (Winter) *Recovery Magazine* 32.

[68] Melanie Leech, 'Point Break: The Challenge of CVAs in 2021 and Beyond' (*R3 2021 Conference*, 17–20 May 2021); Sarah Teal, 'Weathering the retail storm: solutions for the retailer and their impact on the retail landlord sector' (2020) 13(5) *Corporate Rescue and Insolvency* 186–188.

[69] British Property Federation (above note 17); Keegan Armstrong and Grazyna Wiejak-Roy, 'Declining high street – Are local landlords a solution? – A study of Trowbridge, UK' (*SEEDS Conference*, 31 August–2 September 2022).

[70] Oliver Shah, 'Next boss Lord Wolfson turns screw on high street landlords' (*The Times*, 20 May 2018), available at: <https://www.thetimes.co.uk/article/next-boss-lord-wolfson-turns-screw-on-high-street-landlords-ckcf32dzv>; Hugh Radojev, 'Clarks asks landlords for rent reductions' (*Retail Week*, 27 August 2019), available at: <https://www.retail-week.com/fashion/clarks-asks-landlords-for-rent-reductions/7032750.article?authent=1>; Patricia Nilsson and Judith Evans, 'Primark seeks steep rent cuts from landlords. (*Financial Times*, 28 July 2019), available at: <https://www.ft.com/content/7ee8c2c6-b136-11e9-8cb2-799a58cf37b>; Wiejak-Roy (above note 4).

[71] Mark Jenkins and Glen Flannery, 'The rise and rise of CVAs: impact on pension schemes' (2019) 30(9) *PLC Magazine* 27–35, available at: <https://uk.westlaw.com/Document/I0B6E2730E70211E9811BAF2D7912D239/View/FullText.html>; Raeburn-Smith (above note 14).

[72] British Property Federation (above note 17); 'The Crisis in Retailing: Closures and Job Losses' (*Centre of Retail Research*, 2022), available at: <https://www.retailresearch.org/retail-crisis.html>.

[73] Walton, Umfreville and Jacobs (above note 15).

[74] Cook, Pandit and Milman (above note 49).

[75] Steven (above note 24); Steven (above note 43).

[76] Clare Kennedy, 'Are CVSs still an effective option for distressed retail businesses?' (*AlixPartners*, 25 November 2019), available at: <https://www.alixpartners.com/insights-impact/insights/cva-option-distressed-retail/>; Clare Kennedy and Elaine Nolan, 'CVA Market Update. AlixPartners and Kirkland & Ellis International LLP. (*AlixPartners*, 31 October 2019), available at: <https://tma-uk.org/uploads/site-files/nextGen_London_CVA_Presentation_31_October_2019_(002).pdf>; 'Company Voluntary Arrangements ("CVAs")' (*Deloitte*, 2018), available at: <https://www2.deloitte.com/uk/en/pages/financial-advisory/articles/company-voluntary-arrangements.html>.

[77] Cook and Pond (above note 59).

[78] Deloitte (above note 76).

[79] Naresh Pandit et al., 'Corporate rescue: empirical evidence on company voluntary arrangements and small firms' (2000) 7(3) *Journal of Small Business and Enterprise Development* 241–254; Steven (above note 24).

[80] Cook, Pandit and Milman (above note 19); Adrian Walters and Sandra Frisby, 'Preliminary Report to the Insolvency Service into Outcomes in Company Voluntary Arrangements' (*Insolvency Service*, 2011), available at: <https://webarchive.nationalarchives.gov.uk/ukgwa/20110525173706/http://www.insolvency.gov.uk/insolvencyprofessionandlegislation/research/corpdocs/CVA-Report.pdf>.

[81] For ease of reference, studies are further referred to by their number in square bracket.

[82] Cook, Pandit and Milman (above note 19); Pandit et al. (above note 79).

[83] Walton, Umfreville and Jacobs (above note 15).

[84] 'CVAs 2020 and Beyond' (*PwC*, 30 December 2020), available at: <https://www.pwc.co.uk/services/business-restructuring/insights/cvas-where-we-are-what-to-expect-2021.html>.

[85] Addley and Milward-Oliver (above note 7); PwC (above note 84).

[86] Insolvency Service (above note 6).

[87] Raeburn-Smith (above note 5); Insolvency Service (above note 6); Addley and Milward-Oliver (above note 7); PwC (above note 84); 'Retail administrations rise for the second consecutive year while large retail CVAs experienced a seven-fold increase' (*Deloitte*, 2019), available at: <https://www2.deloitte.com/uk/en/pages/press-releases/articles/retail-administrations-rise-for-the-second-consecutive-year-while-large-retail-cva-experienced-a-seven-fold-increase.html>.

[88] Starling (above note 24); Conway (above note 26); Julizaerma Mohamad Khudzari, Mara Norziana Lokman and Mara Sarina Othman, 'Corporate Voluntary Arrangement: A Literature Review' (2021) 24(7) *Journal of Legal, Ethical and Regulatory Issues* 1–10.

[89] Cook, Pandit and Milman (above note 19).

[90] Walters and Frisby (above note 80).

[91] Walters and Frisby (above note 80).

[92] Walton, Umfreville and Jacobs (above note 15).

[93] Addley and Milward-Oliver (above note 7).

[94] Insolvency Service (above note 6).

[95] Walton, Umfreville and Jacobs (above note 11).

[96] For details, see above note 23.

[97] Umfreville and Walton (above note 12); Cook and Pond (above note 59).

[98] Walton, Umfreville and Jacobs (above note 11); Cook and Pond (above note 59).

[99] Walton, Umfreville and Jacobs (above note 11).

[100] Umfreville and Walton (above note 12).

[101] For details, refer above note 15.

[102] Pandit et al. (above note 79).

[103] Cook, Pandit and Milman (above note 49).

[104] Walton, Umfreville and Jacobs (above note 15).

[105] Insolvency Service (above note 6); Walton, Umfreville and Jacobs (above note 15); PwC (above note 84).

[106] Cook, Pandit and Milman (above note 19); Pandit et al. (above note 79); Cedric Sandford, Michael Godwin and Peter Hardwick, *Administrative and Compliance Costs of Taxation* (Fiscal Publications, 1989); David Storey, *Understanding the Small Business Sector* (first edn) (Routledge, 2018).

[107] Walton, Umfreville and Jacobs (above note 15).

[108] Idem.

[109] Walters and Frisby (above note 80).

[110] Addley and Milward-Oliver (above note 7); PwC (above note 84).

[111] Wiejak-Roy (above note 4).

[112] PwC (above note 84).

[113] Kastrinou (above note 25).

[114] Cook, Pandit and Milman (above note 19).

[115] Cook, Pandit and Milman (above note 49).

[116] Walton, Umfreville and Jacobs (above note 15).

[117] Peter Walton, Chris Umfreville and Paul Wilson, 'Pre-Pack Empirical Research: Characteristic and Outcome Analysis of Pre-Pack Administration' (*University of Wolverhampton*, 2014), available at: <https://www.gov.uk/government/publications/graham-review-into-pre-pack-administration>.

[118] Walton, Umfreville and Jacobs (above note 15).

[119] Walton, Umfreville and Jacobs (above note 11); Walton, Umfreville and Jacobs (above note 15); Cook, Pandit and Milman (above note 19); Pandit et al. (above note 79); Teresa Graham, 'Graham Review into Pre-pack Administration - Report to The Rt Hon Vince Cable MP' (*Insolvency Service*, 16 June 2014), available at: <https://www.gov.uk/government/publications/graham-review-into-pre-pack-administration>.

[120] Nature of business: Standard Industrial Classification (SIC) codes, available at: <https://resources.companieshouse.gov.uk/sic/>.

[121] Raeburn-Smith (above note 5); Raeburn-Smith (above note 14); Raeburn-Smith (above note 15).

[122] Part 15, Chapter 1, Companies Act 2006.

[123] 'Automatic filing extensions granted by the Corporate Insolvency and Governance Act due to come to an end' (*Companies House*, 25 April, 2021), available at: <https://www.gov.uk/government/news/automatic-filing-extensions-granted-by-the-corporate-insolvency-and-governance-act-due-to-come-to-an-end>.

[124] CVA1 – Companies House notice of voluntary arrangement taking effect, Companies House's notice of order of revocation or suspension of voluntary arrangement, CVA4 – Companies House notice of termination or full implementation of voluntary arrangement.

[125] Ric Traynor, 'Begbies Traynor Group completes acquisition of David Rubin & Partners', (*Begbies Traynor Group*, 17 March 2021), available at: <https://www.begbies-traynorgroup.com/news/firm-news/begbies-traynor-group-completes-acquisition-of-david-rubin-partners>.

[126] The same method was used by Walton, Umfreville and Jacobs (above note 15).

[127] The same method was used by Cook, Pandit and Milman (above note 19); Walters and Frisby (above note 80).

[128] Raeburn-Smith (above note 5); Addley and Milward-Oliver (above note 7); Norman (above note 33); PwC (above note 84).

[129] Walton, Umfreville and Jacobs (above note 15).

[130] Research by Walton, Umfreville and Jacobs (above note 15) and Cook, Pandit and Milman (above note 19) concluded with success rates at 18.5% and 22% respectively.

[131] Research by Walton, Umfreville and Jacobs (above note 15) and Cook, Pandit and Milman (above note 19) observed ongoing CVAs only among 13% and 4% of companies respectively.

[132] Walton, Umfreville and Jacobs (above note 15).

[133] PwC (above note 84).

[134] Raeburn-Smith (above note 14); Raeburn-Smith (above note 15); Klinger and Allan (15).

[135] Walton, Umfreville and Jacobs (above note 15).

[136] Addley and Milward-Oliver (above note 7); PwC (above note 84).

[137] Walton, Umfreville and Jacobs (above note 15).

[138] Walton, Umfreville and Jacobs (above note 15); Cook, Pandit and Milman (above note 49), Walton, Umfreville and Wilson (above note 117).

[139] Raeburn-Smith (above note 5); Insolvency Service (above note 6); Raeburn-Smith (above note 14); Cook, Pandit and Milman (above note 19); Mathew Ditchburn, 'CVAs: draining the swamp' (*EGi*, 6 September 2021), available at: <https://www.egi.co.uk/legal/cvas-draining-the-swamp/>.

How to cite this article: Wiejak-Roy, G. A., & Lamond, J. (2024). Retail company voluntary arrangements: A dubious remedy? *International Insolvency Review*, *33*(3), 421–447. https://doi.org/10.1002/iir.1547