



## SUMMER EDITION 2023



**IFT REGIONAL  
CONFERENCES**



**IFT ANNUAL  
AWARDS**



**RESTRUCTURING  
PLANS**



**IFT NATIONAL  
CONFERENCE**

# Swift

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SUMMER EDITION

# MESSAGE FROM THE CEO

## Welcome to the summer edition of Swift.

Longer summer days signal a busier time of year for the IFT, and this year has been no exception.

It was great to see all of those who attended our **North Conference**, in what was the first of our regional conferences this year.

The presentations and panel discussions were first-rate, covering a range of nationally and regionally pertinent themes and issues including Levelling Up, food production, construction and Restructuring Plans from members and partners alike.

We are well underway with agenda planning and I am pleased to announce that our keynote speaker will be Lindsey McMurray of Pollen Street Capital, who will be sharing her expertise in fintech investment and the dynamics of ESG.

IFT Fellow Steve Francis will be sharing insights into the leadership journey that led to SIG plc being awarded Large Company Turnaround of the year at last year's Awards Dinner. Please email [info@the-ift.com](mailto:info@the-ift.com) to confirm your place.

We are also delighted that Credebt have signed up again as corporate partners and headline sponsor for our annual awards. The **Annual Awards Dinner** takes place on 19th October this year, and the submissions window for the awards has now opened – you can find more information on submissions and how to book a ticket or a table by emailing [info@the-ift.com](mailto:info@the-ift.com).

Award submissions must be the only time I have experienced our independent members to be uncharacteristically shy, **so I would like to give a particular mention for the Independent Turnaround Professional category** – as our new strapline from our recent brand update urges, **Adapt. Transform. Succeed!**

Moving south to the Midlands, we were delighted to see so many attend our second regional conference, our **Midlands and West and Wales conference**, kindly sponsored by Fiscale. Another round of excellent sessions covering the most salient themes including hospitality, automotive, manufacturing and pensions. Please turn to pages 3 and 4 for a full rundown of both conferences. We are very grateful to the regional committees who guided us and provided such engaging content, and to the fantastic Claire Lewis of the IFT Executive for her masterful choreography.

We are looking forward to welcoming you all to our **National Conference** on Friday 8th September at 11 Cavendish Square, London W1.

It's with great pleasure that I welcome Gallagher on board as our newest corporate partner. Gallagher Specialty provides bespoke advice, risk placement solutions and consulting support across a range of specialist areas.

Our partnership will see its team offering essential knowledge of insurance and risk solutions in turnaround situations, as well as a range of first-rate insurance offerings for our members. We'll also be linking through to Gallagher for insurance options via our website in due course.

Turning to our advocacy work, we've met with a range of lenders, Private Equity houses, advisers and government stakeholders to understand how we can support the greater use of restructuring plans to drive company turnaround, including for smaller companies and the mid-market.

We will be organising (1) a session for independent members focussing on the essential insights into the new tools, with case study information where the turnaround skillset applies and (2) a second session, open to all, looking at the key takeaways from the most recent cases. Please email [info@the-ift.com](mailto:info@the-ift.com) to book your place and for more information on both the sessions we will be organising.



Over the summer, we will be turning our attention to our next Societal Impact Report. As members and partners will be aware, this report looks at the contribution made by accredited turnaround professionals to save jobs and company value, as well as providing an overview of the pressures for different sectors across the economy. Our 2022 report was featured in *The Times* as well as a host of key regional and sector press, and found members and corporate partners saved in excess of 80,000 jobs and preserved £3.4bn in shareholder value. At a time when the UK needs to adapt and transform in order to succeed, we're looking forward to working with our members and partners to shine a light on the huge contribution the UK's transformation expertise makes to the economy and society. As part of this work, we will be sending a survey to members in order to gather longitudinal data and understand the current conditions to gather data for the 2023 report, as we continue to promote turnaround excellence.

We've a busy summer schedule ahead, so I look forward to seeing you all soon.

Kind regards,  
Milly Camley, **IFT CEO**

### ***We were delighted to hold the first of our regional conferences in Leeds:***

Our North Conference, at The Studio in Leeds, was kicked off by Cllr Susan Hinchliffe, Chair, Transport Committee, West Yorkshire Combined Authority, delivering an engaging talk on Levelling Up, focussed on what the Government must do to close the gap between the best performing and worst performing regions of the country.

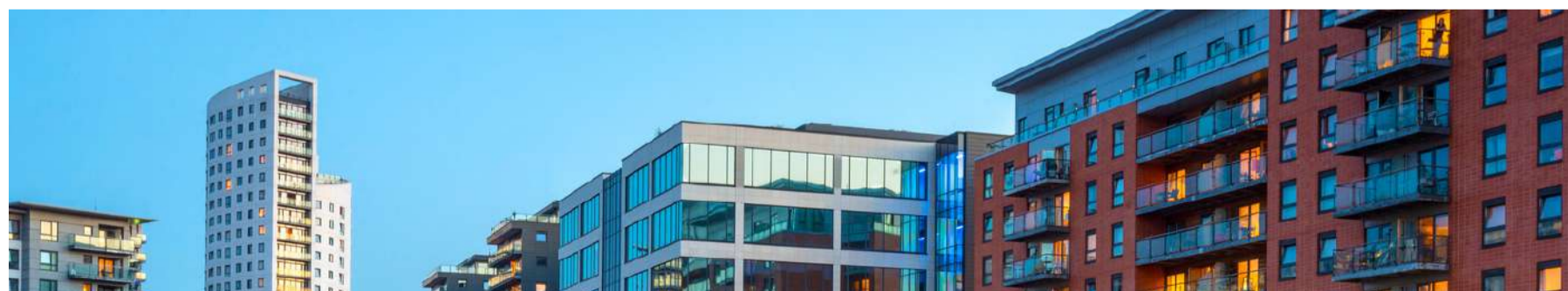
We were then joined by Gemma Wright of Reward Finance Group, Adam Sookia of Blaze Hill Capital and Kelly Jones of Kingsgate for our first panel session. Jonny Abraham of J9 Advisory chaired the panel, exploring the latest market conditions and trends.

Chair of the IFT North East Committee and accredited IFT member Lizzy Wood was next up to chair our panel session on Restructuring Plans. Introduced as part of the Corporate Insolvency and Governance Act 2020 (CIGA), Restructuring Plans were introduced as a new restructuring procedure which may be proposed by a company experiencing financial difficulties. Joined by Paul Bannister of the Insolvency Service, Jonny Lees of Teneo and DLA Piper's James Davison, the panel discussed uptake, prevalence among sectors as well as the barriers to the broader application of Restructuring Plans.

Matt Leech of Gateley Legal then chaired our Investment Landscape panel, joined by David Keenan of Nimbus Capital, Josie Richardson of RCapital and Adam Milner of Enact Fund. Topics discussed included the key challenges for those seeking investment as well as the impact of the barrage of issues upon businesses.

Our next panel focussed on Food Production and Supply Chain, chaired by Helen Wheeler-Jones of PwC, joined by Bridie Robinson of Lloyds, Rob Worsnop of Teneo and Michael Rice of Isara Capital. The panel discussed the impact of recent events including inflation, shelf shortages and various conflicts between retailers and UK food growers. For a more in-depth look at these issues discussed on this panel in an article from Michael Rice, turn to page 4.

To conclude, we were delighted to be joined by Ian Aldous of Mace, delivering a presentation on the challenging conditions for the construction industry. For a more detailed look, turn to page 15 for an article from Ian.



**IFT MIDLANDS, WEST AND WALES CONFERENCE**

***We returned to Birmingham for our second regional conference of 2023:***

We kicked off our Midlands, West and Wales conference with a market overview panel session chaired by Jo Wright of De Novo Advisory. DLA Piper's Huw Dolphin, Glen Morgan of Credebt and Lynne Blakey of Evelyn Partners discussed the top factors dominating Board agendas as well as the current state of the market.

Steve Elsom of Fiscale, sponsor of the conference was up next to discuss R & D Tax Credit. Steve discussed the origin of R & D Tax credit, the contribution to the UK economy, post budget introductions, exemptions and projects. IFT Fellow Chair and independent member Ian Parker of Verve 4 Growth then chaired our Manufacturing Panel, joined by Alexandra Henderson of NatWest, John Mayhew of Fiscale and BDO's Chris Marsden. The panel discussed challenges facing the sector, as well as a future outlook.

We then turned to the hospitality and casual dining sector, with our chair Simon Girling of BDO. Joined by Mike Rothwell of Bespoke Hotels and Noel Moffitt of Christies, the panellists discussed the various issues the industry has had to navigate including COVID-19, the cost of living crisis, food inflation, reduced disposable income, labour shortage and utility costs. These are just some of the issues the sector has faced, and the panel discussed how these ongoing issues may be weathered through a focus on the four key pillars of commercial success: optimisation of revenue across all segments, control of operating costs, production of meaningful forecasting and MI, and maintenance of full statutory compliance.

Our Restructuring Plans session, chaired by Dan French of Gateley Legal provided attendees with an introduction to the new process and the various components, key benefits and key blockers to getting a Restructuring Plan through, as well as thoughts on their use for the mid-market.

Our Food Manufacturing & Supply Chain session, chaired by Matt Ingram of Kroll was followed by a session focussed on the Automotive sector, chaired by Andrew Burn of Special Situations Group Limited and Alun Tribe of IMIG UK. Alun and Andrew walked attendees through various issues the sector is grappling with including electrification, ongoing semiconductor supply issues, as well as tips for the future.

For our final session, we were delighted to be joined by Richard Farr and Dan Mindel of Cardano Advisory. Dan and Richard expertly guided participants through the DB pension landscape, bringing this to life with in-depth case studies.



***Kindly supported by***

**Fiscale**



**Michael Rice of Isara Capital and speaker on the Food Manufacturing & Supply Chain panel talks to the IFT about the challenges facing the sector:**

**Is the UK Food Supply Chain in Turnaround?**

The United Kingdom has one of the most globally connected, diverse and flexible food supply chains in the world. Over the last 40 years, diversity of product and nutritional choices has been a huge change, for the better, for the general population. Recent events – whether they be the unprecedented level of cost inflation recently experienced; shelf shortages of reasonably “standard products” or the very public conflicts between retailers and UK food growers and manufacturers have demonstrated the extent to which this critical area of the UK economy is currently exposed and the reality that this is an area of vital importance to many that needs a step change in how it is thought of.

The challenges faced by the UK food industry are numerous and complex – the matter of cost price inflation alone is actually the end result of a myriad of factors. The issue of labour availability post-Brexit is a factual matter – c. 35% of the UK’s food production labour force was previously from the EU and this was further compounded by COVID-19 leading EU nationals to repatriate themselves – that has driven up the cost of labour. Add to that supply chain disruption throughout the COVID period (freight container rates more than doubled) and the impact of lockdowns on production efficiency and most food producers were already strained.

The energy price surge – often up to 300% - through the war in Ukraine has been the final macro challenge creating fundamental risks to participants in the UK supply chain. Historically, the food industry in the UK has been underinvested from a capital perspective – employment laws making it easy to hire and fire and lack of regulatory incentivisation or support for investment has hampered progress regarding areas such as automation and technology innovation. Equally, the cyclical nature of the industry and the power of grocery retailers to keep prices low has made the segment less attractive than others to providers of capital.

None of this touches on the reality of a long-term climate related challenge that food production will face due to changing rain and temperature patterns – the impact of this on the UK supply of tomatoes made recent headlines and, in a globally competitive market, when supply is restricted it will go to who pays most. At the same time as fighting for its life on a day-to-day basis, the UK food supply chain is being forced to consider a net zero future and the importance of sustainability.

UK agriculture and food production is at a crossroads: never more in the spotlight in regard to the importance that it holds for our national security and infrastructure but with a potential lack of clarity on what it needs to move forward and also lacking in new talent coming through or into the industry at the same volume it has done previously.

Creation of incentives to invest in long-term capital projects (such as those seen in technology or green industries); support for industry specific training and development programmes; assistance in the short term to manage post-Brexit labour challenges and a regulatory regime that encourages investment into the industry are crucial. All of this needs to be underpinned by the support of people skilled in helping businesses through times of stress and turbulence.



**Michael Rice is a Partner at Isara Capital and leads the investment team. With over a decade’s experience of investing in and transforming businesses, he focuses on sourcing and leading on new investments along with driving Isara’s overall strategy.**

IFT Fellows

We are delighted to welcome John Pennie as a new IFT Fellow.

John is a lawyer and has been active in turnaround for over 40 years. In that time John has been called upon to advise lenders in relation to various turnarounds and has also been employed to assist leading independent turnaround executives during high profile cases.

As Senior Vice President of Marsh, the global insurance brokers, John has continued to work in turnaround and corporate recovery since retiring as a partner in Womble Bond Dickinson in 2017.

John continues to be very active within the IFT. He was previously a board director and committee chair and continues to assist the Executive team with advising on Information Notes and interviewing membership applicants.



IFT Website

The completion of our brand refresh enables us to commence work on the re-provision of our website. The aim of this is to improve functionality for members, partners and stakeholders, to promote thought leadership and advocacy for turnaround and to provide both a resource and 'shop window' for turnaround professionals.

We have engaged external IT specialists to work with the IFT Executive Team and will keep members updated, in addition to including members and partners in the user testing and design process.



Module 2 of the IFT Academy Learning Programme took place in Birmingham this week and we had a fantastic two days! On the morning of day 1 Shaun O'Callaghan facilitated a financial decision making group exercise and discussed an automotive related case study. In the afternoon the group toured the Jaguar Land Rover factory, gaining insights into its history, operations and future.

We started day 2 learning about the Tetramap model and how it can help develop more effective communication with all stakeholders involved in a restructuring. During the day we were joined by three fantastic speakers: Lee Swinerd of Interpath Advisory gave us a very insightful overview of the automotive sector, Phil Emmerson of Rcapital spoke about what makes a successful turnaround and Kelly Jones of Kingsgate talked about operational turnarounds with an interactive case study.

An amazing two days with our outstanding 2023 Academy cohort!



We were very pleased to welcome a cross section of impressive and engaging women to our Women in Turnaround reception, generously hosted by Evelyn Partners on 26th April.

Our speaker for the evening was Karen Webb Moss, who is the Chair of British Swimming and Executive Chair of More Than Equal, set up by David Coulthard, which aims to find the first female Formula 1 champion. Karen shared lessons from her career in sport and major events with organisations such as the IoC and her recent experience in bringing together stakeholders in F1.



We enjoyed hearing about the key drivers for high performance, incorporating insights from Karen's network, including from the British Swimming National Performance Director, Chris Spice, and Sarina Wiegman, Manager of the Lionesses. These pursuits typically involve more burnt rubber, water and grass, but there were obvious links to the work of our members and partners in driving performance, expertly brought out by Kelly Jones who leads the network. Many thanks to the women who attended and made it a lively, warm and engaging evening. If you know a woman active in turnaround within your network who would enjoy being part of our network, please do encourage her to get in touch to learn more.



## UPCOMING EVENTS FOR YOUR DIARY

Member meetings and webinars are included in memberships and corporate partnerships. To register for any of the events shown here, please email [info@the-ift.com](mailto:info@the-ift.com)

### June - July 2023

#### How to Manage Restructures, TUPE and Redundancy with Karen Davies of The People Factor

- Date/Time: 13th June, 16:00
- Location: Zoom
- Open to IFT Members and IFT Next

#### Restructuring Plans Webinar: A Guide for Independent IFT Members, with James Davison of DLA Piper and Alison Goldthorp of Charles Russell Speechlys

- Date/Time: 14th June, 08:00
- Location: Zoom
- Open to Independent IFT Members only

#### Food and Agriculture Webinar with Helen Wheeler-Jones of PwC, Andy Richardson of Food and Drink Board Wales and Bridie Robinson of Lloyds

- Date/Time: 20th June, 08:30
- Location: Zoom
- Open to IFT Members and IFT Next

#### How Business Values are Driving Success for Willerby Homes, with Peter Munk of Willerby Homes

- Date/Time: 27th June, 08:30
- Location: Zoom
- Open to IFT Next

#### Automotive Update Webinar with Interpath Advisory

- Date/Time: 29th June, 08:30
- Location: Zoom
- Open to IFT Members and IFT Next

#### Restructuring Plans in Practice Webinar with James Davison of DLA Piper and Alison Goldthorp of Charles Russell Speechlys

- Date/Time: 13th July
- Location: Zoom
- Open to IFT Members and IFT Next

### National Conference 8th September

Tickets are now on sale (exc vat):  
 Members and Corporate Partners - £325  
 Non-Members - £425  
 Associates - £375  
 Fellows - £250  
 Bring a Friend - £375



### Annual Awards 19th October

Submissions are now open for our Annual Awards 2023. Email [info@the-ift.com](mailto:info@the-ift.com) for more information. Ticket prices (exl vat):

Tables of 10:	Members £360
Pre-shortlist price: £3520	Fellows: £300
Final price: £3840	Non-Members: £440



### What and who is IFT Next ?

IFT Next is aimed at professionals who have identified turnaround and business support as their long-term career pathway; the network and events are typically suitable for those with the following titles: **Manager, Senior Manager, Director, Senior Solicitor, Relationship Manager/Director, Business Support Manager.** To join the IFT Next Community, email [info@the-ift.com](mailto:info@the-ift.com) to register your interest.

## IFT Fellows Dinner

The IFT Fellows were guests of Robin Sheppard and Mike Rothwell last month at the Sun Street Hotel next to Liverpool Street and the newest property of the Bespoke Hotels Group, which was founded by Robin and Haydn Fentum some 22 years ago. The Group today has over 100 properties and boasts 5,000 hotel rooms, 6,000 employees and £525 million of assets. Over dinner Robin and Mike kindly shared with us their thoughts on the state of the hotel industry:

- 2019 was the last stable trading year for most hotel groups.
- COVID was the perfect storm. Everything key became scarce: laundry service, staff, booze, food...customers.
- Since COVID inevitably there has been a focus on cost and most of the easy wins have been captured. The obvious stuff has been done.
- Hotels either have to move up market to 5\* level and above. Or down market to take on Premier Inn.
- There is a graveyard of many properties stuck in the middle. This is the sector facing distress.
- Trading up sets higher customer expectation of exceptional service levels which comes with multiple challenges.
- Turnarounds are about finding good management, good staff and marketing.
- The big threat is staff costs with the upcoming hike in the NLW and its impact on the payroll bill.
- Cash is no longer king in a market paid for by credit cards. You need footfall and that means high levels of service and an emphasis on design (especially lighting).
- Bedrooms are a very perishable product. If you don't sell on the night you can't sell that night again! Must focus on yield.
- Very big challenge for properties with restaurants. People still not eating out in comparison to pre-covid, and we are facing a Chef crisis (post Brexit UK is just not as attractive for Eastern European staff).
- Key to success: people, ambiance, lighting (mood setter).
- Bespoke is currently working on a new property in Bristol. So please make sure you are available when we have a Fellows Dinner there sometime next year.

Many thanks to Mike and Robin for hosting a wonderful evening!





IFT BRAND

**Adapt. Transform. Succeed. We're delighted to share with you the results of the work undertaken to refresh the IFT brand.**

**Rooted in engaging with members and partners, we've worked with external brand specialists Mobas to ensure the IFT brand reflects what it genuinely feels like to be an IFT member and the value you're looking for us to deliver as your membership organisation.**

We were pleased to see that the overwhelming feeling from stakeholders is that The IFT is evolving for the better and is a stronger and more inclusive organisation. Members described the value their membership brings: from rigorous accreditation, which acts as a stamp of quality; through sharing of best practice; to networking and the development of opportunities. The research also highlighted areas for development, including: increased clarity over The IFT's evolving purpose and role in representing the sector to wider stakeholders; valuing expertise and reaching new audiences; and the positioning of the Institute and, by inference, its membership in stages of the business cycle. The engagement exercise has enabled us to crystallise our brand map, centred on our purpose:

**To provide UK businesses with the best possible chance of survival and success, by creating, connecting and enhancing a community of experts, unmatched in professional quality and commitment.**

SOCIETAL IMPACT REPORT

**We are turning our attention to our next Societal Impact Report, measuring the huge contribution IFT members and partners make:**

**Our report looks at the contribution accredited turnaround professionals make to society and the economy, as well providing an overview of the pressures for different sectors of the economy.**

Our 2022 report found independent members helped saved in excess of 80,000 jobs in 2022, and protected over £3bn in shareholder value:



While we went into the programme with an open mind around our organisational name, selecting a name that represents the complete breadth of members' work is difficult and risks losing the authenticity of our name and the gravitas accorded to being an institute. We've therefore agreed to keep our full name of The Institute for Turnaround. We have worked with members and stakeholders to select a strapline that explains and encompasses the breadth of expertise that we bring together, integrated into The IFT visual.

Over the past few months, we've worked with the team to refine an initial long-list of straplines to the chosen option.

Our new strapline of 'Adapt. Transform. Succeed.' reflects a powerful and succinct representation of the work of The IFT, its members and stakeholders, with a focus on the tangible outcomes delivered.

Many thanks to the members, partners and stakeholders who have contributed to this process, which has not only informed some adaptations to our brand expression, but also reinforced the aspects of the IFT that you value, and where we need to add further value.



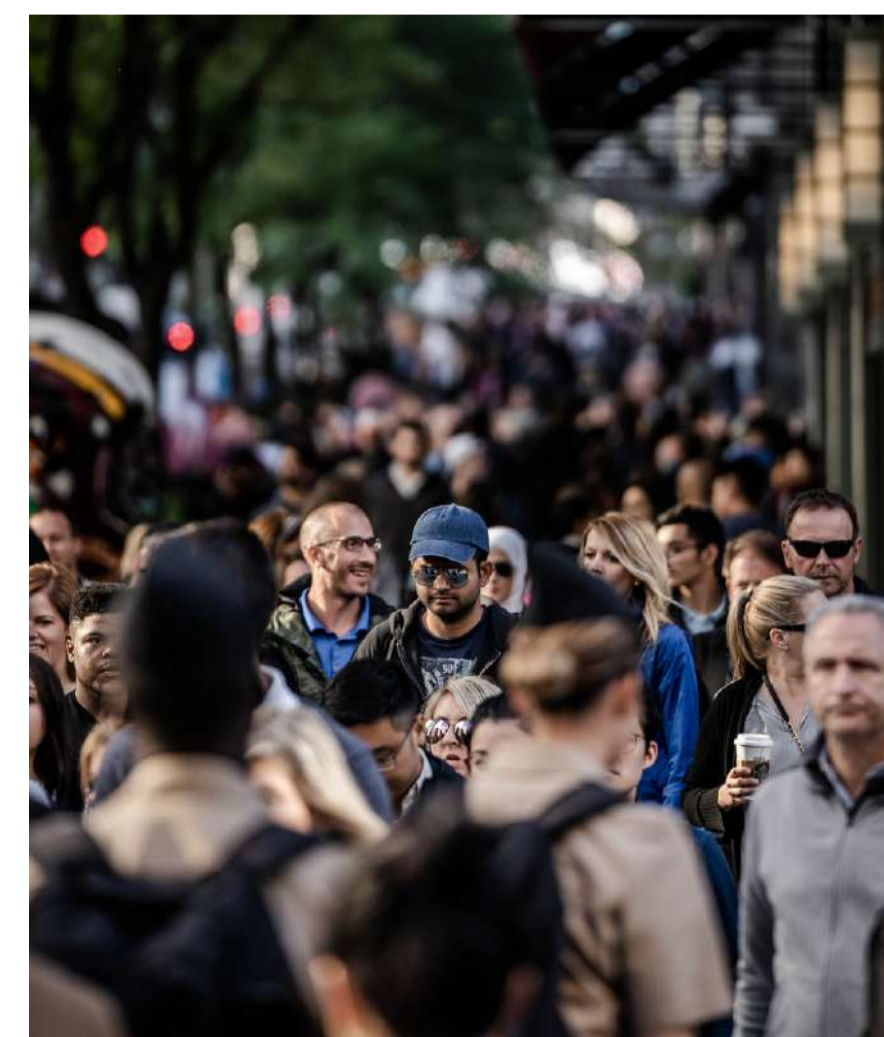
At a time when the UK needs to adapt and transform in order to succeed, we're looking forward to working with our members and partners to shine a light on the huge contribution the UK's transformation expertise makes to the economy and society.

As part of this work, **we will be sending a survey to members in order to gather longitudinal data and understand the current conditions for our 2023 report.**

**Your insights are vital to this work, so we would be very grateful if members would be able to fill out this survey.**

IFT MEMBERS PROTECTED SOME 82,000 JOBS AND £3.6 BILLION IN SHAREHOLDER VALUE IN 2022

	Jobs protected	Increase in shareholder value
2019-20	55,200	£2.6 billion
2020-21	84,300	£2.9 billion
2021-22	81,300	£3.6 billion





# IFT NATIONAL CONFERENCE

## 8TH SEPTEMBER 2023

The key conference in turnaround, transformation and restructuring is back,  
at No.11 Cavendish Square, London.

Tickets are now on sale (excl. VAT):

Members and Corporate Partners - £325

Associates - £375

Fellows - £250

Non-Members - £425

Associate/ Bring a Friend - £375

Email [info@the-ift.com](mailto:info@the-ift.com) to book your place.

### Market Overview

Restructuring  
Plans

Business &  
Economic  
Outlook

### SIG Case Study

Skills of a Turnaround  
Leader

Debt &  
Investment

### Sustainable Finance

Cyber Risk

**Swift**

**IFT ANNUAL AWARDS**

**ROSEWOOD  
LONDON**



**the**  
Adapt. Transform. Succeed.

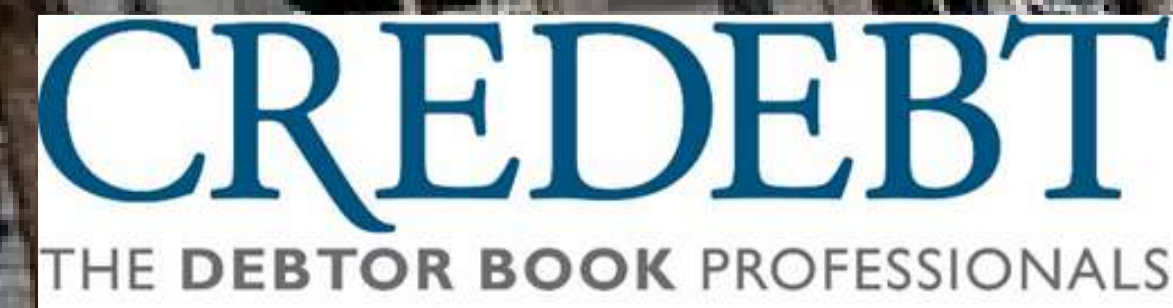
# **The IFT Annual Awards 2023**

**Thursday 19th October 2023**

**Tickets are now on sale (EXCL VAT):**

<u>Tables of 10:</u>	Members £360
Pre-shortlist price: £3520	Fellows: £300
Final price: £3840	Non-Members: £440

*Supported by*



**For information, please contact  
[info@the-ift.com](mailto:info@the-ift.com)**

## Get working on your IFT Award Submissions

**We are delighted to announce that submissions are now open for this year's IFT Annual Awards.**

The judges are really looking forward to reviewing another excellent series of submissions.

Last year we know some of you got very creative with your entries and included videos, articles and other media. The judges would love to see this again, so if you do have other supporting information that you would like the judges to see please send it directly to [info@the-ift.com](mailto:info@the-ift.com).

**If you'd like to discuss entries in more detail, we encourage you to contact [info@the-ift.com](mailto:info@the-ift.com) and a member of the team will be happy to help.**

Below you'll find the guidelines on the ten categories available to enter in 2023:

### Turnaround Adviser of the Year

This award is focussed on advisory firms (accountants/consultancy firms) or individuals within those firms actively involved in the Turnaround & Restructuring Marketplace e.g. actively engaged in the community through membership of a relevant organisation and/or demonstrating how you support the rescue culture. You should provide specific cases or examples relevant to the last 2 - 3 years, which may include either intensive assignments or working on a portfolio basis with businesses. In either case, the judges are seeking evidence of sustainable turnarounds in the long term. You should also note that the judges will be looking for breadth rather than success in a single situation.

### Independent Turnaround Adviser of the Year

This award is focussed on independent turnaround professionals (including those who operate within a boutique or on an associate basis) taking on key roles within businesses such as CRO, CEO, CFO or as Chairman or non-executive.

You will be actively involved in the Turnaround & Restructuring Marketplace e.g. actively engaged in the community through membership of a relevant organisation and/or demonstrating how you support the rescue culture.

You should provide specific cases or examples relevant to the last 2 -3 years, which may include either intensive assignments or working on a portfolio basis with businesses. In either case, the judges are seeking evidence of sustainable turnarounds in the long term. You should also note that the judges will be looking for breadth rather than success in a single situation.

### Rising Star

This award is for an individual below partner and senior management level who has been actively and visibly involved in multiple turnarounds in recent years and is likely to become a future senior participant in the profession. An understanding of the individual's wider contribution to the profession will be helpful in the assessment process. Candidates may come from any of the professions involved in turnaround, including lawyers, advisers, bankers or investors.

### Legal Adviser of the Year

This award is aimed at legal firms or individual lawyers actively involved in the Turnaround & Restructuring Marketplace who can demonstrate involvement in the community through membership of a relevant organisation. You must illustrate how you or your firm support the rescue culture and provide specific cases or examples relevant to the last 2 -3 years which demonstrate your contribution to successful turnarounds. The judges will be looking at breadth rather than success in a single situation.

### SME Turnaround of the Year

This award is for one private sector business turnaround up to £25m t/o with the focus on the business itself, not the investors, lenders or advisers (notwithstanding the fact they may be referenced in support of the submission). Please provide a detailed overview of the case and the specific elements that contributed to its success.

This should include information such as; issues identified, actions taken, engagement with stakeholders and the outcome, clearly identifying the timeline of the turnaround journey alongside clear supporting financial information. The business will typically have completed at least two successful years trading since engagement of professional turnaround expertise, or given recent circumstances, have demonstrated the ability to adapt successfully to pandemic conditions in order to protect or grow the business.



Community Impact Turnaround of the Year

This award is for one business or not-for-profit organisation with the focus on the organisation itself not the investors, lenders or advisers (notwithstanding the fact they may be referenced in support of the submission). It can relate to any size of organisation, the key focus being the difference made to the wider community, which may include (but not be limited to) :

- Impact of jobs saved within the local or national context
- Impact on supply chain and customer base
- Impact on an industry or skills
- Matters of public interest such as services supplied

Please provide a detailed overview of the situation and the specific elements that contributed to its success. This can include information such as; issues identified, actions taken and the outcome, clearly identifying the timeline of the turnaround journey alongside clear supporting financial information.

The organisation will typically have completed at least two successful years trading since engagement of professional turnaround expertise, or given recent circumstances, have demonstrated the ability to adapt successfully to pandemic conditions in order to protect or grow the business.

The judges are specifically seeking evidence that the organisation is sustainable in the long term.

Mid-Market Turnaround of the Year

This award is for one private sector business turnaround between £25m - £100m t/o, with the focus on the business itself not the investors, lenders or advisers (notwithstanding the fact they may be referenced in support of the submission).

Please provide a detailed overview of the case and the specific elements that contributed to its success. This should include information such as; issues identified, actions taken, engagement with stakeholders and the outcome, clearly identifying the timeline of the turnaround journey alongside clear supporting financial information.

The business will typically have completed at least two successful years trading since engagement of professional turnaround expertise, or given recent circumstances, have demonstrated the ability to adapt successfully to pandemic conditions in order to protect or grow the business.

The judges are specifically seeking evidence that the organisation is sustainable in the long term.

Large Company Turnaround of the Year

This award is for one private sector business turnaround over £100m t/o, with the focus on the business itself not the investors, lenders or advisers (notwithstanding the fact they may be referenced in support of the submission) Please provide a detailed overview of the case and the specific elements that contributed to its success. This should include information such as; issues identified, actions taken, engagement with stakeholders and the outcome, clearly identifying the timeline of the turnaround journey alongside clear supporting financial information.

The business will typically have completed at least two successful years trading since engagement of professional turnaround expertise, or given recent circumstances, have demonstrated the ability to adapt successfully to pandemic conditions in order to protect or grow the business. The judges are specifically seeking evidence of a sustainable turnaround showing that the organisation is sustainable in the long term.

Special Situations Private Equity Provider of the Year

This award is for a provider of equity who has been actively involved in the Turnaround & Restructuring Marketplace for example, being actively engaged in the community through membership of a relevant organisation and/or demonstrating how you support the rescue culture. You should provide specific cases or examples relevant to the last 2 -3 years, which may include either intensive assignments or working on a portfolio basis with businesses. In either case, the judges are seeking evidence of a sustainable turnaround in the long term. You should also note that the judges will be looking for breadth rather than success in a single situation.

Special Situations Debt Provider of the Year

This award is open to providers of debt or mezzanine finance including asset based lenders. Your submission will need to demonstrate active engagement in the community through membership of a relevant organisation and/or demonstrating how you support the rescue culture. ou should provide specific cases or examples relevant to the last 2 -3 years, which may include either intensive assignments or working on a portfolio basis with businesses. In either case, the judges are seeking evidence of a sustainable turnaround in the long term

You should also note that the judges will be looking for breadth rather than success in a single situation. If you would like further support on your submissions please contact info@the-ift.com.



## Introducing IFT Specialists

Whilst accreditation, networking and insights are at the heart of our work, we have long provided the means to source turnaround expertise. In turn, and over time, our members and partners have asked us to source individuals with specific specialisms who may provide expertise on turnaround and transformation programmes.

We have therefore created a specialist membership category to enable our members to source trusted experts across a range of business activity.

Allied specialisms include but are not confined to:

- Programme management
- Financial controls
- Treasury management
- Digitisation
- Logistics
- Supply chain expertise
- Risk management
- Organisational design
- HR and people change
- Company secretarial and corporate governance
- Sales and marketing strategy
- Facilities management



We are asking IFT members and partners to help us grow this pool of specialists. If you would like to recommend an individual who you rate and with whom you have worked in a turnaround situation, please get in touch.

Joining us:

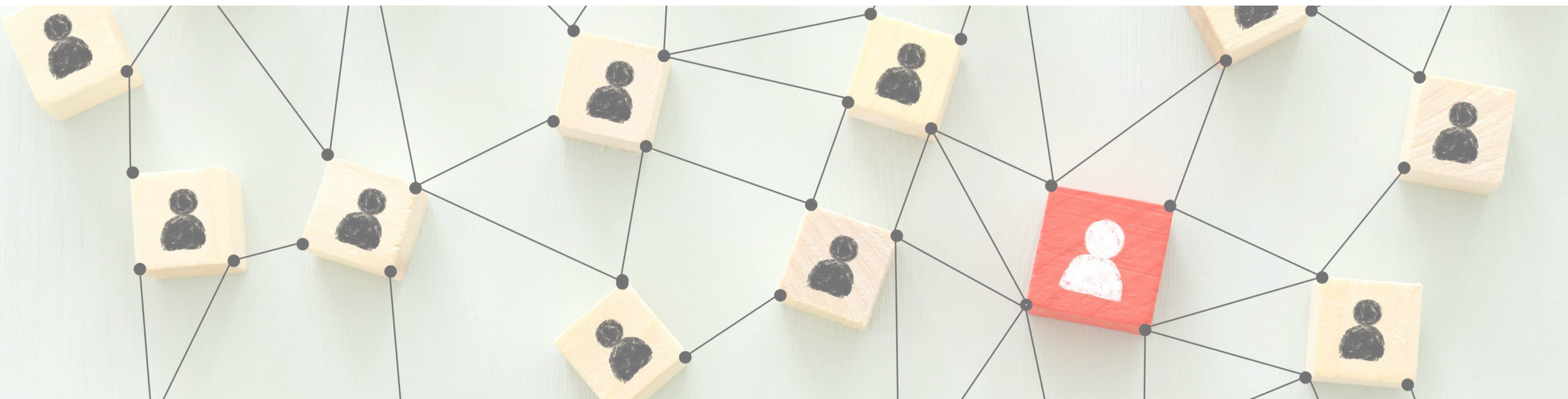
Admission as a specialist member requires the following:

- Recommendation / reference from an accredited IFT member or corporate partner.
- A full CV, highlighting the specialist engagement in turnaround / restructuring situations and the nature of the specialism.

The cost of specialist membership is:

£250 per annum.

If you'd like to find out more, please contact [info@the-ift.com](mailto:info@the-ift.com).



## Restructuring Plans: Changing the Drumbeat

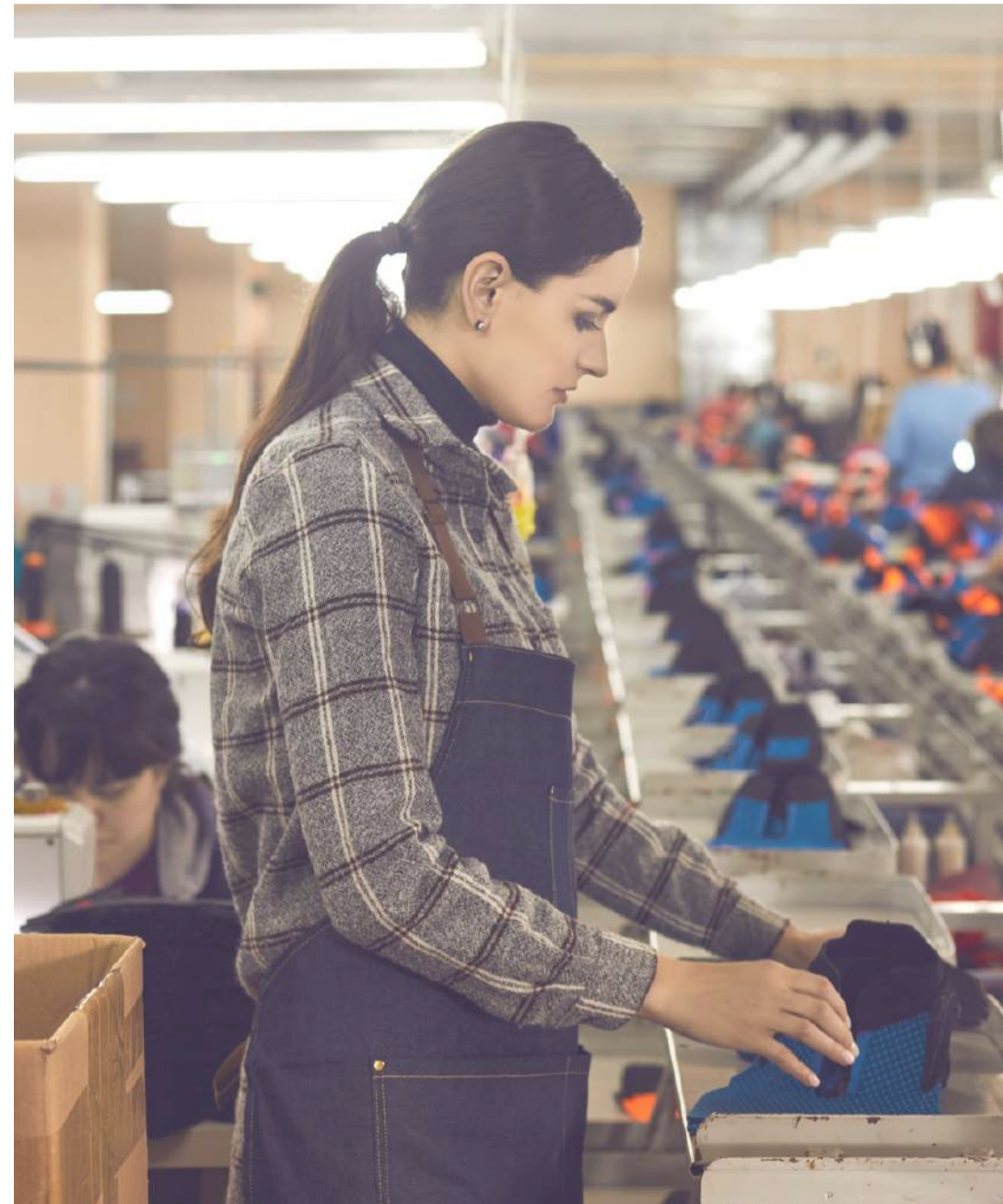
***Established as part of the Corporate Insolvency and Governance Act (2020), Restructuring Plans were introduced as a new company side procedure:***

**Expertly advised by IFT Accredited Member Alison Goldthorp, we are working to gather and promote views from turnaround practitioners and stakeholders on the use and development of the tools to effect turnaround outcomes.**

This includes insights into the way that the new tools are developing in practice, and our feedback from the market and key stakeholders on the steps needed to embed them in practice, and to support the innovation initiatives required to apply the tools to more companies, in particular to rescue smaller companies, which are the backbone of the UK economy.

Due to COVID-19 measures and economic conditions, it has taken some time for cases to work through. As the body for turnaround professionals we have observed these developments and are very interested in the turnaround potential of Restructuring Plans and the new Moratoria, and particularly when these tools can be effective in a turnaround scenario.

Notably, recent cases have involved smaller businesses, challenging perceptions regarding expense, complexity and timeliness related to the new tools - as well as providing the precedent that HMRC can be crammed down, as per Houst. More recently, cases that have not been sanctioned have developed the framework for application and important insights into critical success factors. The Adler Plan, which was successful in achieving sanction, provides a welcome global endorsement of the UK framework.

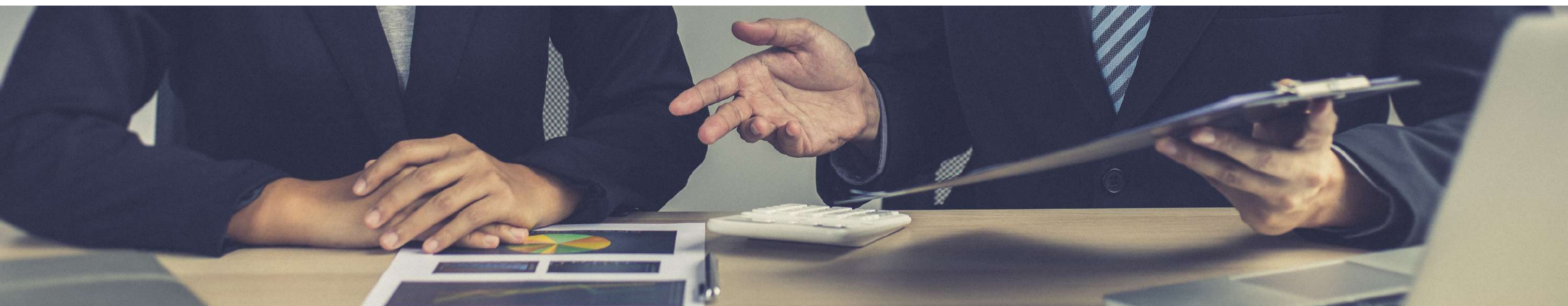


The following features suggest that the new measures should be of interest our members, in that they are:

- Company side measures.
- Suitable for stressed but ultimately viable companies.
- A potential solution for companies whose value would be severely impacted by insolvency, such as entities which are regulated or whose assets would be subject to a significant tax impact on a transaction.
- Reliant on core turnaround skills: formulation of a viable turnaround plan, quality management and financial information, stakeholder assurance.

**We will be organising sessions that will provide essential insights for independent turnaround professionals, with case study information to show where the turnaround skillset applies, and where a restructuring plan may be suitable for consideration as an effective turnaround tool, with a tailored presentation from Alison Goldthorp, Partner at Charles Russell Speechlys and James Davison, Partner at DLA Piper.**

There will be a follow up session in July to examine the latest cases, open to all members and partners. **To register for the first of these sessions on on 14 June via Webinar, please email [info@the-ift.com](mailto:info@the-ift.com).**





A warm welcome to new IFT  
Corporate Partner

# Gallagher Specialty

We are delighted to welcome Gallagher Specialty as our newest corporate partner, alongside the key advisory, lending and legal firms active in turnaround and transformation.

Gallagher is one of the leading global insurance brokers and risk management firms, operating across 130 countries and employing 43,000 people worldwide. Gallagher Specialty provides bespoke advice, risk placement solutions, and consulting support across a range of specialist areas.

Our partnership will see its team offering essential knowledge of insurance and risk solutions in turnaround situations, as well as a range of first-rate insurance offerings for our members.





## The Construction Market and Outlook for the Future

***Ian Aldous, Director (UK North Lead) for Mace and speaker at the North Conference speaks to the IFT about the challenges facing the sector, as well as a future outlook:***

**The UK construction industry is a key enabler for economic growth and development.**

Within the UK economy the construction industry accounts for approximately £100bn per annum and employs 3 million people, whilst supporting 20% of self-employed workers.

Major events such as Brexit, the global pandemic, the ongoing conflict in Ukraine, and the global energy crisis has resulted in challenging market conditions which include:

- Labour shortages.
- Material availability and volatility.
- Energy instability.
- Economic uncertainty.

Labour, materials, and sundry items have all suffered high levels of inflation, impacting new orders, and resulting in the construction industry having its worst month earlier this year since the pandemic. As project viability is tested and confidence in project delivery weakens due to resource and material availability, this has forced programmes of work to be paused or even stopped.

This has compounded stress on the industry and slowed recovery from the previous and ongoing major events, causing further issues:

- Restrictive cashflow.
- Project viability.
- Increased risk profiles with lack of mitigation strategy.

- Legislation to include future unknown changes.

The result has been a rise in companies facing financial difficulties, which have included:

- 30 firms entering administration in March 2023.
- High rates of inflation across materials, labour, and energy.
- Increased cases of SME insolvency with ongoing cost-of-living crisis, energy prices, flat consumer confidence and inflation.

From a regional perspective, the North has been impacted by these factors causing the following:

- HS2 delays.
- Northern Powerhouse Rail delays.
- Highways investments slowing.
- Public Sector spend constrained.
- Private Sector funding challenges.

However, there is some cause for optimism in the region as more power, authority, and funding is decentralised allowing for greater control via local decision making.

The drive for more devolution and autonomy will take time but will help to address some of the challenges the industry and region is facing.

More generally, whilst the outlook is challenging, there are some wider opportunities albeit balanced against the risks:

### Opportunities

- Slowed inflation.
- Short term political stability.
- Better supply chain engagement.
- More focus on green technology.

### Risks

- Slowed growth.
- Short term political impact.
- SME insolvency.
- New global events.



***Ian Aldous is the Director for the North at Mace, a leading global construction and consultancy business with over 7,000 employees. Mace has 400 people working across the northern region, delivering over £5bn of construction projects and supporting 40 apprentices and graduates.***



## Are you seriously saying there could be a pension surplus?

### Richard Farr, Managing Director at Cardano Advisory discusses recent interest rate rises and their subsequent impact:

**I know I have been going on (too long?) about defined pension deficits. Snow White's 7 little buddies were always bad news (apart, of course, from the (Dreamy?) Best Estimate).**

In the last 12 months, the UK has moved from interest rates of less than 0.5% to peaking at 5% in the Gilts crisis in Q4 last year.

You all know that the 7 little buddies are based on discounting future cash flows, so you will not be surprised to know that the huge increase in rates has resulted in a huge decrease in deficits.

Those schemes which were fully hedged did not get the full benefit of the change (that's another article), but those schemes (especially those with weaker covenants that were hoping for asset out performance) have made out in style (because the asset drop was far less than the liability drop). Know any companies with weak covenants?

Couple this fact with a marketplace now full of pension advisers who have had 20 years (in my case) sharpening their solutions toolkit, we are now experiencing a new paradigm of being able to properly manage pension schemes as part of a turnaround/transformation plan.

#### So, what does this mean?

- Pension schemes who were an impediment to change can now be viewed differently
- Managing the scheme in parallel to your transformation plan can really work
- Exiting the scheme either as part of a restructuring or before the medium-term exit horizon is a real possibility. Certainly, you should be able to eliminate the pensions scheme discount on exit.

#### But what surplus?

Let's revisit the little buddies:

- Accounting – bizarrely, this still has value if your client is owned by an overseas parent who wants to use the surplus to cover its international unfunded deficits.
- Technical Provisions – your future cash flow burden should be now reduced significantly. However, look out for trustees suddenly getting “more prudent”.
- Long Term Funding – you are now in a potential Safe Harbour from TPR scrutiny (think of the professional fees you will save!).

- Buy Out - yes, you can ignore the scheme (but don't lose the surplus proceeds if you can get it - good luck).
- PPF – well, here it gets really interesting down the Demise Curve. Once you are above PPF levels, the dynamic has now changed and you are negotiating with the trustees, not (primarily) the PPF, as part of the solution.

If you were wondering about the other two little buddies: Best Estimate is now called “Satisfied”, and the LDI fellow is highly embarrassed in being caught up in the Gilts crisis.

Please remember, the presence of a pension scheme is not insurmountable. Indeed, it could be a deal enabler. Just make sure you have fresh thinking around an old (fairy tale) subject.



**Richard Farr is Managing Director at Cardano Advisory**

cardano



## The Hospitality Sector: A Forward Look

**Mike Rothwell, Director of Advisory at Bespoke Hotels speaks to the IFT about the future challenges facing the hospitality sector:**

**Well the past 3 years or so have been quite a ride for the whole hospitality sector.**

Whether it was COVID, multiple lockdowns, closures and curfews, war, cost of living crisis, reduced consumer disposable income, increased payroll costs, food inflation, supply chain disruption, labour shortages, rampant utility costs, margin squeeze or recession, the challenges have just kept on coming, but through sheer hard work, determination and resilience, we somehow remain in business!

In addition to the management of over 100 excellent independent hotels right across the UK on behalf of private investors, Bespoke Hotels also work hard in supporting hotel businesses and their stakeholders facing varying degrees of distress, and that support has never been as vital as it is today.

In conjunction with our sector specialists, we are able to focus on the four key pillars of commercial success – optimisation of revenue across all relevant segments such as leisure, conferencing, local corporate and weddings, control of operating costs, production of meaningful forecasting and MI, and maintenance of full statutory compliance.

If we get all four of these disciplines in order, then success will surely follow, but there are lots of plates here to keep spinning.

In the early days of the pandemic, hospitality benefited from key government support measures such as furlough, VAT reduction, hospitality grants – and even Eat Out to Help Out - but with the exception of continued business rate relief, we've now very much been left to our own devices and only the strong will survive. Key to this survival will be effective management, sales and marketing.

Hotels are different to other business in the respect that they generally sell space. A bedroom has the shortest shelf life of any product they sell. If it's not sold tonight, it's gone forever, so their challenge is to ensure that room is occupied at the best possible rate – without encouraging the guest to look elsewhere for something cheaper. We must also try to sell these rooms directly to the guest, as opposed to rely on the online travel agents such as Booking.com who levy a significant chunk of every pound being charged, hence why effective S&M is critical.

With ongoing food and payroll inflation, margins on food and beverage are tighter now than ever, so selling prices must be constantly reviewed. However, with the current cost of living crisis we need to be sure that we don't end up charging prices that the customer decides they cannot afford.

As with a hotel bedroom, a restaurant table tonight between 7pm and 9pm cannot be sold again.

Availability of a hotel restaurant is often a pre-requisite of selling a hotel bedroom, so a full understanding and control of cost of delivery of food is key.

Besides the challenges we face, what is for sure is that the hospitality sector will survive – there may just end up being less of us in the short term when the dust finally settles.

Hotels will always be required as we are social creatures and will always want or need to go away – whether that be for business or pleasure, and at Bespoke Hotels we want to ensure we can help that to happen.



**Mike Rothwell is Director of Advisory at Bespoke Hotels, the UK's largest independent hotel management company.**



## Streamlining processes: A checklist for outsourcing

### IT Programme Implementation Specialist Fuaad Buras talks to the IFT about outsourcing initiatives to streamline processes:

#### Cost Reduction (Outsourcing) Case Study:

In order to improve its financial position, a UK FTSE100 business reduced its global workforce by 10 percent and started looking at other ways to make further cuts in its global spending.

The urgency to reduce further costs to survive as a viable business increased significantly with COVID.

The business launched a global programme to outsource and offshore specific central support (HR / Finance / Strategic & Operational Procurement) activities.

The business signed a contract with a global Outsource Partner and started design and transition planning in order to allow the outsourced workforce to access UK based systems (SAP, Workday and so forth) and commence support.

#### Put on Pause!

One year into the programme and few months before Go Live, it became clear that the business cannot fully guarantee the segregation of its data in some of the core applications.

This would mean the risk of unauthorised personnel accessing data deemed to be sensitive or protected.

The initiative was put on pause for six months until clarification and approvals were received by the appropriate stakeholders.

The delay was costly but necessary for the cost reduction initiative to proceed.

#### Clarity before signature!

It is a balancing game when starting a complex initiative, between what you need to know upfront and what can be discovered later.

In this particular case study, the following questions needed to be addressed at the very initial stages of outsourcing strategy rather than as part of the design and transition phases of the implementation programme.

- What applications does the Outsource Partner need access to?;
- What type of data resides within these applications?;
- What access controls and data segregations exist within these applications?; and
- How will the programme get the required approvals from the impacted parties (such as Government / Legal / GDPR / ITAR)?

#### Data Risk Assessment Framework

In order to address the above questions, the business established a data risk assessment workstream within the outsourcing programme and established a steering committee with representatives of the data stakeholders including Government representatives.

The data sensitivity workstream engaged the application and data owners to answer the four questions.

The steering committee decides on whether the application can be accessed by the outsource partner. In the majority of cases the steering provided specific data segregation and access control conditions which need to be implemented before the outsourced staff could access the systems in scope.

#### Summary.

In this case study the business as well as their main customers (Government Departments) were particularly concerned of unauthorised access or sharing of sensitive data with unfriendly governments.

Granting access to core business applications (e.g. SAP) to foreign partners sitting outside the national jurisdiction (e.g. UK Datacentre) can rub against laws and regulations set by governments.

It is therefore an imperative to understand data sensitivity before giving access to external providers. Failure to do that could result in loss of contracts, large fines and brand damage.



**Fuaad Buras is an IFT IT Programme Specialist, focussing on:**

- **IT Strategy**
- **Business Transformations**
- **Programme Management**

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