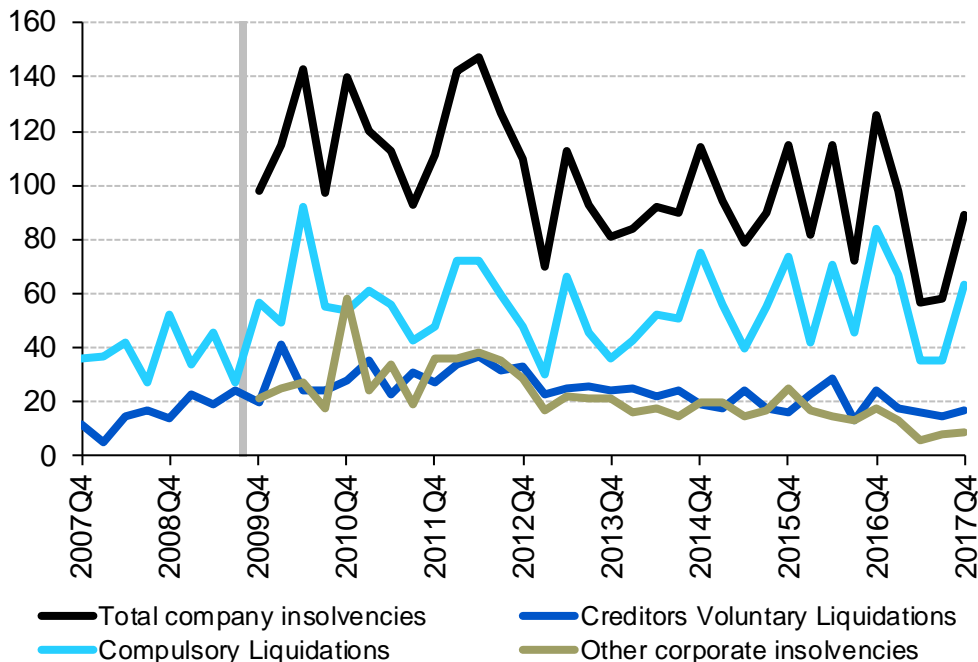


6 Insolvency in Northern Ireland

6.1 Company insolvency

Company insolvency in Northern Ireland is governed by separate, but broadly similar, legislation to England and Wales, and so figures are presented separately.

Figure 17: Company insolvencies in Northern Ireland
(quarterly data, not seasonally adjusted)



Explanation of key terms

See section 2 (company insolvency in England and Wales) for further information.

Sources: Department for the Economy, Northern Ireland; Companies House.

Vertical line indicates discontinuity in methods – data from 2009Q4 not directly comparable with previous data. Creditors' Voluntary Liquidations before 2009 Q4 includes those companies which had previously been in administration.

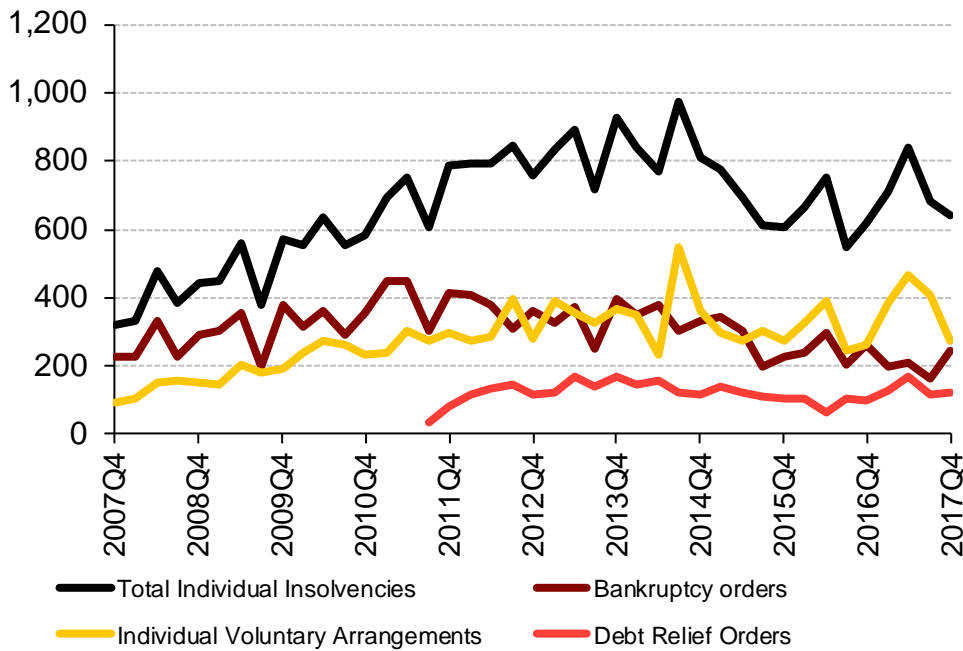
See Table 12 of the accompanying Excel file for more detail.

There were an estimated 89 company insolvencies in Northern Ireland in Q4 2017, 29.4% less than the same quarter in 2016. Of these, 63 were compulsory liquidations (down from 84 in Q4 2016), and an estimated 17 were creditors' voluntary liquidations (CVLs, down from 24 in Q4 2016). There were an estimated four administrations, five company voluntary arrangements and zero administrative receiverships in Q4 2017.

6.2 Individual insolvency

Individual insolvency in Northern Ireland is governed by separate, but broadly similar, legislation to England and Wales, and so figures are presented separately.

Figure 18: Individual insolvencies in Northern Ireland
(quarterly data, not seasonally adjusted)



Source: Department for Enterprise, Trade and Investment, Northern Ireland.
See Table 14 of the accompanying Excel file for more detail.

Explanation of key terms

Bankruptcy orders – a form of debt relief available for anyone who is unable to pay their debts. Assets owned will vest in a trustee in bankruptcy who will sell them and distribute the proceeds to creditors. Discharge from debts usually takes place 12 months after the bankruptcy order is granted.

Debt relief orders (DROs) – a form of debt relief available to those who have a low income, low assets and less than £20,000 of debt. There is no distribution to creditors, and discharge from debts takes place 12 months after the DRO is granted. DROs were introduced in June 2011.

Individual voluntary arrangements (IVAs) – a voluntary means of repaying creditors some or all of what they are owed. Once approved by 75% or more of creditors, the arrangement is binding on all. IVAs are supervised by licensed Insolvency Practitioners.

There were 640 individual insolvencies in Northern Ireland in Q4 2017, 3.7% higher than the same quarter in 2016.

In Q4 2017 there were 245 bankruptcies, down 5.4% on the same quarter last year. This change coincided with a change in the minimum debt a creditor must be owed to make someone bankrupt, which increased from £750 to £5,000 for petitions presented from 30 November 2016.

There were 276 IVAs, an increase of 6.2% on the same quarter last year.

There were 119 DROs, up 21.4% on the same quarter last year. A change to eligibility criteria was introduced on 30 November 2016 with DROs becoming available to people with up to £20,000 debt (up from £15,000) and £1,000 assets (up from £300).

Though the graph highlights changes, it should be noted that the volatility in the data is because the numbers of insolvencies are low, so any small changes will result in large percentage changes.