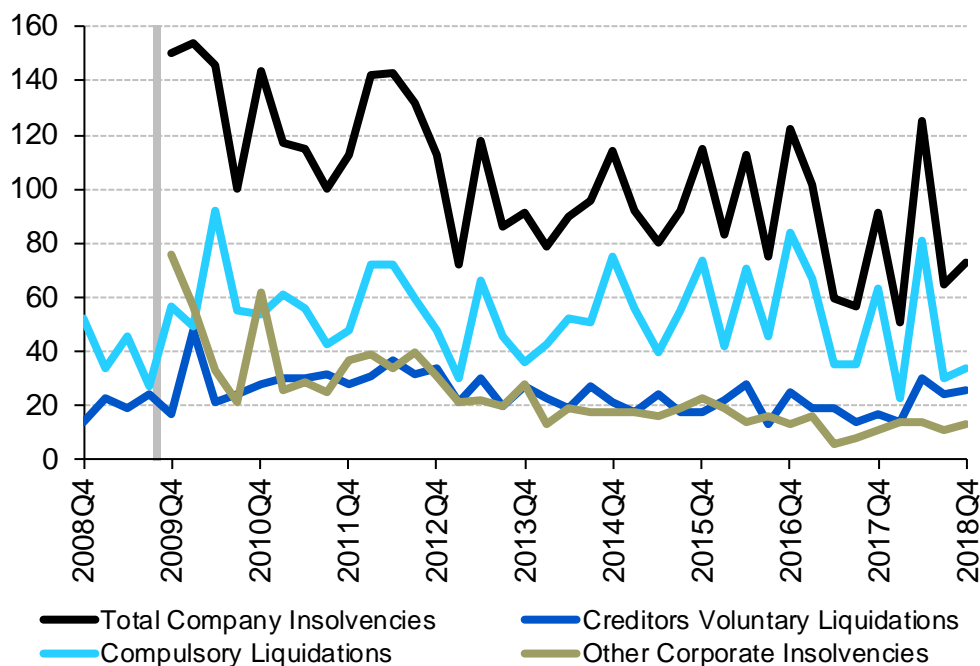


6 Insolvency in Northern Ireland

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.

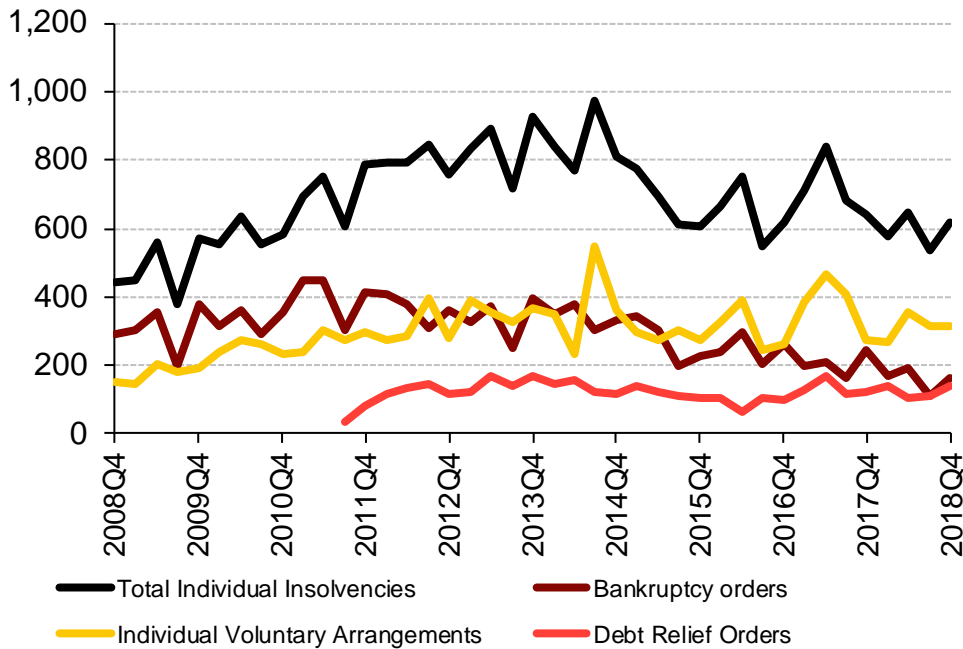
See Table 12 of the accompanying Excel file for more detail.

There were 73 company insolvencies in Northern Ireland in Q4 2018, 19.8% lower than the same quarter in 2017. Of these, 34 were compulsory liquidations (down from 63 in Q4 2017), and 26 were creditors' voluntary liquidations (CVLs, up from 17 in Q4 2017). There were 8 administrations, 5 company voluntary arrangements, and no administrative receiverships in Q4 2018.

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 the Economy, 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 615 individual insolvencies in Northern Ireland in Q4 2018, a decrease of 3.9% compared with the same quarter in 2017.

In Q4 2018 there were 163 bankruptcies, down 33.5% on the same quarter last year. There has been a general downward trend in the number of bankruptcies per quarter since Q4 2016. This 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 312 IVAs, an increase of 13.0% on the same quarter last year.

There were 140 DROs, up 17.6% 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 in volumes will result in large percentage changes.