



Individual insolvency statistics, Q1 January to March 2019

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We are seeking feedback

This quarter, we have implemented changes to the statistics that [we proposed in October 2018](#).

We have split individual insolvencies and company insolvencies into 2 separate publications and made formatting and style change to the content.

Feedback on these new releases is welcomed at statistics@insolvency.gov.uk.

2. Things you need to know about this release

This statistics release contains the latest data on individual insolvency (people who are unable to pay debts and enter formal procedures).

Coverage

Statistics are presented separately for England and Wales; Scotland; and Northern Ireland because of differences in legislation and policy.

Methodology and key terms

Table 1: Key terms used in the publication

| | |
|---|---|
| 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. |
| 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 (£15,000 before October 2015). There is no distribution to creditors, and discharge from debts takes place 12 months after the DRO is granted. DROs were introduced in April 2009. |
| Bankruptcy | 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. Bankruptcies result from either Debtor application – where the individual is unable to pay their debts, and applies online to make themselves bankrupt, or Creditor petition – if a creditor is owed £5,000 or more (£750 before October 2015), they can apply to the court to make an individual bankrupt. These statistics relate to petitions where a court order was made as a result, although not all petitions to court result in a bankruptcy order. |
| Sequestration | Fulfils much the same role in Scotland as bankruptcy in England and Wales. |
| Protected trust deeds | Protected trust deeds are voluntary arrangements in Scotland and fulfil much the same role as IVAs in England and Wales. However, there are differences in the way they are set up and administered, meaning the figures shown here are not consistent with those provided for England and Wales or Northern Ireland. |

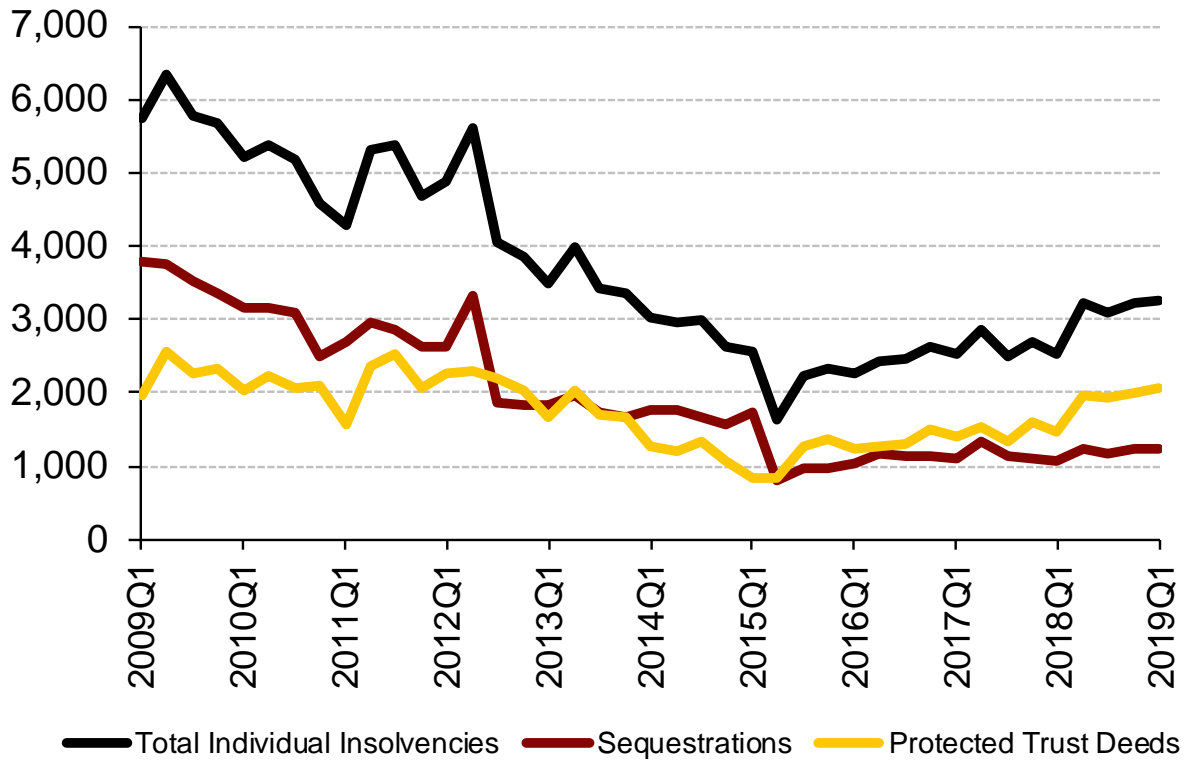


Seasonal adjustment

To aid analysis between quarters the figures are seasonally adjusted to minimise the effect of the time of year and provide a true picture of the trends in insolvency. *Insolvency Statistics Seasonal Adjustment Review – April 2019* provides more information on seasonal adjustment which can be found [here](#).

Detailed information

Detailed methodology and quality information for all insolvency service statistical releases are available [here](#).



In Q1 2019, there were 3,272 total insolvencies in Scotland, a 29.2% increase on the same quarter of 2018. This comprised 1,223 sequestrations (of which 557 went into sequestration via the minimal asset process route) and 2,049 protected trust deeds.

In April 2015, the Minimal Asset Process replaced LILA, and other changes affected sequestrations, resulting in a large decrease.

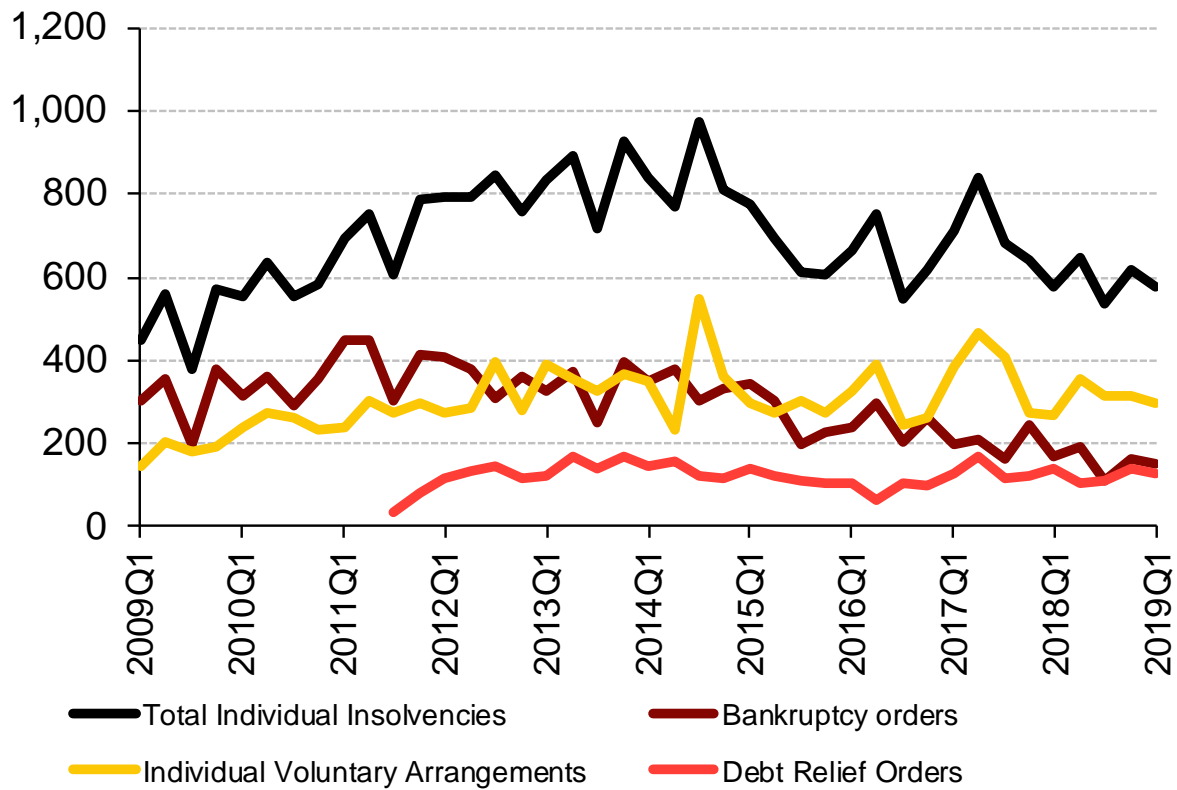
7. Individual insolvency Northern Ireland

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

- There were 578 individual insolvencies in Northern Ireland in Q1 2019
- This was a decrease of 0.7% compared with the same quarter of the previous year.

Figure 7: Total insolvencies increased slightly in Northern Ireland compared to Q1 2018

Northern Ireland, non-seasonally adjusted



In Q1 2019 there were 149 bankruptcies, down 11.3% on the same quarter of 2018. This comprised 299 IVAs, 149 bankruptcies and 130 DROs.

National Statistics

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods, and
- are managed impartially and objectively in the public interest.



Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

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Any enquiries regarding this document/publication should be sent to us at statistics@insolvency.gov.uk.