Individual Insolvencies by Location, Age and Gender

Quality and methodology information document

For general notes on individual insolvency statistics in England and Wales please see the quarterly Insolvency Statistics publication, which is the definitive source of the number of new cases each year in England and Wales, and the rate per 10,000 adults. The latest publication is at: https://www.gov.uk/government/collections/insolvency-statistics

1. Data sources and methodology

Details of individual insolvencies are sourced from administrative records held by the Insolvency Service. Extracts from these records, including postcode, date of birth, date of insolvency, and gender, are taken to derive the breakdowns used in this publication. Postcode data are matched against the National Statistics Postcode Lookup, to determine the region and local authority of each individual. These data are then aggregated to produce counts of insolvencies in each geographical area. The National Statistics Postcode Lookup is derived from data from the Office for National Statistics and Ordnance Survey. Geographical boundary definitions are sourced from the Office for National Statistics and are based on Ordnance Survey data.

Population statistics are sourced from the Office for National Statistics publication Population Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2018 (and related statistics for previous years). These statistics are used as the denominator when calculating insolvency rates per 10,000 adults.

2. Quality

This section provides information on the quality of the Individual Insolvency Statistics by Region, to enable users to judge whether or not the data are of sufficient quality for their intended use. The section is structured in terms of the six quality dimensions of the European Statistical System.

2.1. Relevance *(the degree to which the statistical product meets user needs for both coverage and content)*

The Insolvency Service has policy responsibility for individual insolvency in England and Wales only; the extent of the coverage of these statistics reflects this.

Individual insolvency figures at national (England and Wales) level are published quarterly by the Insolvency Service as a National Statistics release.

The annual statistics in this publication provide breakdowns by region, county, unitary authority and local authority; and by age and gender at region-level.

Users of insolvency statistics include the Insolvency Service itself, which has policy responsibility for insolvency in England and Wales and for the non-devolved areas within Scotland and Northern Ireland; other government departments; parliament; the insolvency profession; debt advice agencies; media organisations; academics; the financial sector; the business community and the general public.

The views of users have been taken into account when making changes to this publication. In January 2016, the Insolvency Service launched a user feedback survey to obtain the views of users on the usefulness of the statistics, and where improvements could be made. The survey closed in April 2016 and was followed by the publication of a summary of user feedback.

Alongside the publication of Individual Insolvencies by Location Age and Gender 2018, we have requested feedback on proposed changes to this and our quarterly statistics.

2.2 Accuracy and completeness *(including the closeness between an estimated or stated result and the [unknown] true value)*

The latest data relate to the calendar year 2018. National-level statistics covering this period were published on 29 January 2019 as part of the quarterly Insolvency Statistics publication – though the Individual Insolvency Statistics by Region is not consistent with the quarterly publication (see Coherence, below).

Accuracy and completeness of geographic data

Individual insolvents have been classified into geographic areas on the basis of the postcode supplied by the individual. As some postcodes supplied are missing or incomplete, or have not matched the National Statistics Postcode Lookup, some individuals have not been matched to geographic areas.

Nationally, this proportion had been decreasing for bankruptcies from about 12% in 2000 to around 1% in 2017. However, the percentage which couldn't be matched in the 2018 publication increased to 6%. For individual voluntary arrangements, the proportion unmatched decreased from around 15% in 2000 to less than 2% in each year since 2008. For debt relief orders, the rate had been less than 0.3% in each year since their introduction but this increased to 1.1% in 2018.

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Table 1: Percentage of missing or unmatched postcodes in Individual Insolvencies by Location, Age and Gender publications
England and Wales, 2000-2018

	Bankruptcies	IVAs	DROs
2000	12.4%	14.7%	..
2001	9.3%	12.2%	..
2002	8.0%	10.1%	..
2003	6.4%	8.4%	..
2004	5.6%	8.5%	..
2005	4.8%	4.3%	..
2006	4.1%	3.2%	..
2007	3.5%	2.1%	..
2008	3.2%	0.8%	..
2009	2.9%	0.5%	0.1%
2010	4.1%	0.6%	0.2%
2011	1.1%	0.9%	0.2%
2012	0.9%	0.8%	0.1%
2013	0.4%	0.5%	0.3%
2014	0.8%	0.5%	0.1%
2015	0.5%	0.1%	0.1%
2016	0.8%	1.3%	0.2%
2017	1.1%	0.0%	0.1%
2018	6.2%	0.5%	1.1%

Postcodes are assigned to areas using the centroid of the postcode area. As postcode boundaries are not contiguous with other geographic boundaries, these postcode boundaries could span several geographic boundaries.

It is possible an individual changed place of residence in order to cut costs and attempt to get out of financial difficulty. Where this failed and the individual was declared insolvent, it will be the address at the time of the insolvency which is recorded and used to classify the insolvent's location, where this can be determined. Where more than one address has been provided and the address at the time of insolvency is not known, an address has been chosen at random.

Accuracy and completeness of age and gender data

Some records of individual insolvents have missing or incomplete data for either or both of date of birth and gender. These have been classified as 'unknown' in the relevant tables, but included in the regional tables if the postcode matched the National Statistics Postcode Lookup. Some individuals have improbable dates of birth (for example 1 January 1900 which is a quirk of Excel date formatting) and have been recoded as 'unknown'. Overall England and Wales totals and rates are unaffected by this.

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2.3 Timeliness and punctuality *(Timeliness refers to the elapsed time between publication and the period to which the data refer. Punctuality refers to the time lag between the actual and planned dates of publication.)*

The latest data relate to the calendar year 2018. National-level statistics covering this period were published on 29 January 2019 as part of the quarterly Individual Insolvency Statistics publication – though the Individual Insolvency Statistics by Region is not consistent with the quarterly publication (see Coherence, below).

The key statistics in this publication relate to the rate of individual insolvency per 10,000 adults, which is dependent on population estimates at local authority level for the denominator in this calculation. The Office for National Statistics released Population Estimates for UK, England and Wales, Scotland and Northern Ireland, mid-2018 on 26 June 2019. The period between these source statistics being released, and publication of these statistics, is the minimum required to ensure outputs can be produced to the required standard.

2.4 Accessibility and clarity *(Accessibility is the ease with which users are able to access the data. It also relates to the format in which the data are available and the availability of supporting information. Clarity refers to the quality and sufficiency of metadata, illustrations and accompanying advice)*

The Insolvency Statistics are available free of charge to the end user on the GOV.UK website. They are also linked via the Publication Hub and they meet the standards required under the Code of Practice for Official Statistics and the Insolvency Service's own website accessibility policy. Related data are available at the same GOV.UK location.

This publication consists of a statistics release in PDF format, which contains key results and commentary to help interpret the data, and detailed data tables in both Open Document Spreadsheet and Excel format. If you have any queries about the publication or would like it in a different format, please email statistics@insolvency.gov.uk

2.5 Comparability *(the degree to which data can be compared over time and domain)*

Numbers of individual insolvencies in each geographical area each year, and the underlying population data, are categorised according to administrative boundaries as at December 2018, allowing for comparisons to be made between time periods and between geographical areas. An update to local authority boundaries was made in May 2019 but the National Statistics postcode lookup was not updated on this basis at the time of production. The boundary changes will be reflected in 2019 publication.

2.6 Coherence *(the degree to which data which are derived from different sources or methods, but which refer to the same phenomenon, are similar)*

Numbers of new cases presented in these tables are not consistent with the official, headline quarterly National Statistics published as they have been extracted from a live database at a different point in time and on a different basis. The quarterly National Statistics are the

definitive source of the number of new cases each year in England and Wales, and the rate per 10,000 adults.