



The Insolvency  
Service

# Insolvency Service Statistics: User Engagement Feedback

January to April 2016

# Insolvency Service Statistics

## Response to User Feedback, January to April 2016

### Summary

1. In line with the requirements of the *Code of Practice for Official Statistics* (“the Code”), the Insolvency Service conducted a user engagement exercise between January 2016 and April 2016 which comprised an online survey. We are grateful to those who took the time to respond.
2. The feedback we received on the content, presentation and publication of Insolvency Service Official Statistics was on the whole very positive. Some users have identified some additional requirements, which are discussed in this document.
3. Our future development plans include:
  - linking data from administrative systems owned by the Insolvency Service and Companies House with the Inter-Departmental Business Register, which if successful would enable company insolvencies to be broken down by location, size and age; and
  - producing a tool alongside the *Insolvencies by Location, Age and Gender* which will enable users to compare two or more local authorities.

## Background

4. The Insolvency Service currently produces three regular Official Statistics publications:
  - *Insolvency Statistics*, a quarterly release that contains numbers of new company and individual insolvencies in England and Wales, Scotland, and Northern Ireland;
  - *Individual Insolvency Statistics by Location, Age and Gender*, an annual release that provides a breakdown of individual insolvencies in England and Wales by region, local authority area and parliamentary constituency from 2000 to date; and
  - *Individual Voluntary Arrangement Outcome Statistics*, an annual release that provides termination and completion rates for individual voluntary arrangements (IVAs) registered each year from 1990 to date.

In addition to these, the Insolvency Service also publishes a quarterly experimental statistical publication: *Insolvency Service Enforcement Outcomes*. This publication contains information on: disqualifications of company directors (where the Insolvency Service played a significant role in the disqualification); companies wound up in the public interest; bankruptcy restrictions orders; and suspensions of discharge from bankruptcy.

5. The *Insolvency Statistics* publication was assessed in 2010 by the UK Statistics Authority,<sup>1</sup> and designated as “National Statistics” in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the *Code of Practice for Official Statistics*.<sup>2</sup> 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.
6. Once statistics have been designated as National Statistics it is a statutory requirement that the *Code* shall continue to be observed. Key requirements include Principal 1: Meeting User Needs and Protocol 1: User Engagement. These are reproduced in Annex A, but to summarise, they set out an requirement on the Insolvency Service to:
  - engage effectively with users of Official Statistics;
  - identify users and the uses they make of the statistics;
  - seek and act on feedback from users relating to the presentation of the statistics, and accompanying commentary, datasets and metadata; and
  - consult users before making changes that affect statistics.

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<sup>1</sup> UK Statistics Authority (May 2010) *Assessment of compliance with the Code of Practice for Official Statistics: Insolvency Statistics (produced by the Insolvency Service)*, Assessment Report 44. Available from: <http://www.statisticsauthority.gov.uk/assessment/assessment/assessment-reports/assessment-report-44---insolvency-statistics.pdf>

<sup>2</sup> UK Statistics Authority (January 2009) *Code of Practice for Official Statistics*. Available from: <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/code-of-practice-for-official-statistics.pdf>

7. The Insolvency Service conducted a formal *Consultation on Insolvency Statistics* between July and October 2010, immediately after the UK Statistics Authority's assessment,<sup>3</sup> followed by meetings with users of statistics in January 2011. Engagement exercise were also conducted in 2013<sup>4</sup> and 2014.<sup>5</sup> The Insolvency Service also ran a consultation in 2015 related specifically to proposed methodological changes to statistics on company insolvencies.<sup>6</sup>
8. In this latest exercise, the Insolvency Service invited responses to an online survey, which was open between 29 January 2016 and 31 March 2016. The survey questions focused on the uses made of Insolvency Service Official Statistics releases; their presentation; how they are published; user needs that were unmet; comparisons with related statistics and reports produced by others and questions regarding the new *Enforcement Outcomes* release.
9. Responses were invited from those who are routinely alerted to the publication of statistical releases; Insolvency Service employees; and individuals who had made an enquiry to the Statistics Team in the 12 months preceding the survey. A link to the survey was also highlighted on the front pages of the *Insolvency Statistics* and *Insolvency Enforcement Outcomes* publications on 29 January and 11 February respectively as well as being tweeted on 4 February.
10. Thirty-seven individuals responded to the survey, either on their own behalf or on that of their organisation.
11. We are very grateful to those that took the time to respond to the survey.

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<sup>3</sup> The consultation document and the Government response can be found at:

<http://www.insolvencydirect.bis.gov.uk/otherinformation/statistics/statistics-consultation.htm>

<sup>4</sup> A summary of feedback can be found at:

<http://webarchive.nationalarchives.gov.uk/20140311023846/http://bis.gov.uk/insolvency/About-us/our-performance-statistics/insolvency-statistics>

<sup>5</sup> A summary of feedback can be found at <https://www.gov.uk/government/publications/insolvency-service-statistics-user-engagement-feedback>

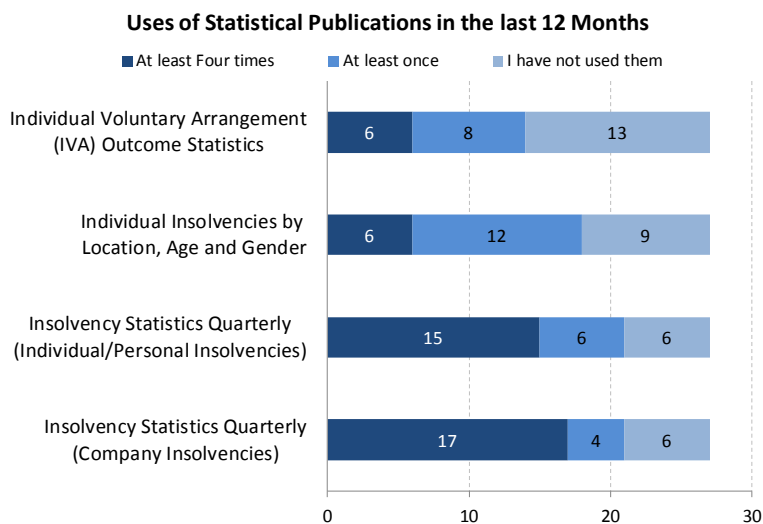
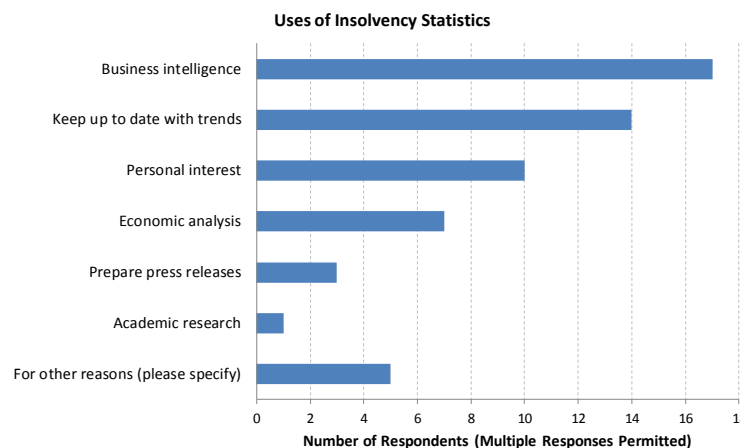
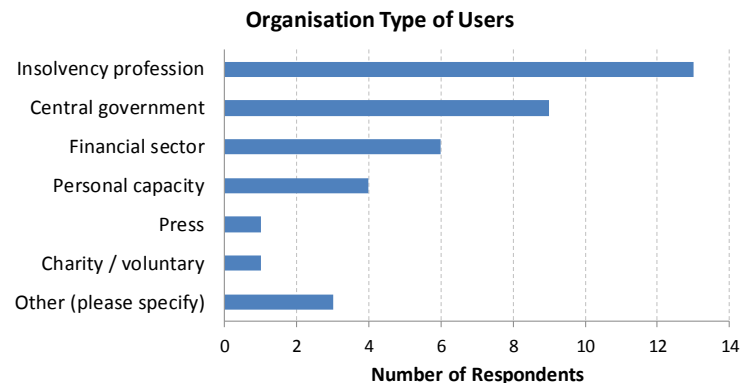
<sup>6</sup> The consultation document and the response can be found at

<https://www.gov.uk/government/consultations/insolvency-statistics-methodology>

## Survey Results and Our Response

### Users and uses of Insolvency Service Official Statistics

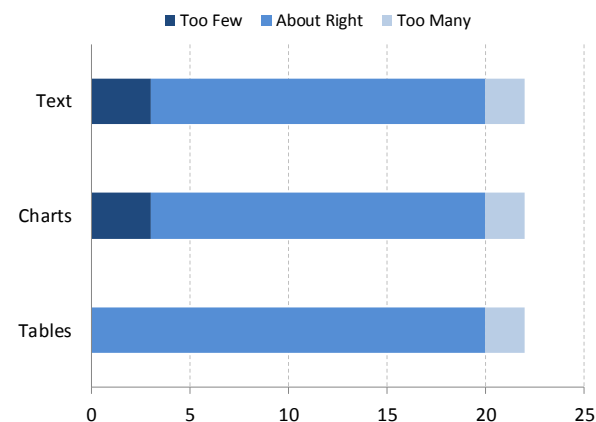
- There were 37 respondents to our survey, from a wide range of organisation types. Over a third of respondents (13) work within the insolvency profession whilst just under a quarter (9) work within central government.
- A range of uses were made of Insolvency Service Official Statistics, and users could broadly be grouped into those who used Insolvency Service Official Statistics to:
  - obtain information on latest numbers and trends in insolvency** – for example, to prepare press releases, keep up to date with trends, and personal interest; and
  - feed in to own / organisational analysis** – for example, for academic research, economic analysis, business intelligence.
- The former group of users tended mostly to use press releases, which contain headline statistics and commentary. The latter group additionally made use of the detailed tables that accompany the press releases. These groups accordingly had differing – though not necessarily conflicting – views of our Official Statistics products, and how they should be developed in future.
- The quarterly *Insolvency Statistics* include information on both company and individual insolvency. The same number of respondents used both the individual and company insolvency statistics but the respondents were more likely to have used the company statistics publication more than once in the past 12 months
- Many respondents were regular users of the quarterly *Insolvency Statistics*, with over half using the statistics at least once.



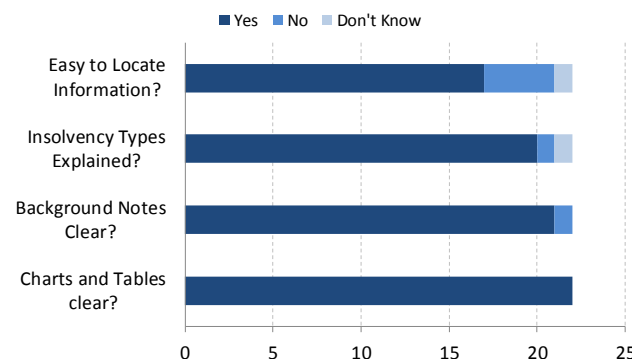
## Presentation, commentary and additional needs

6. We asked survey respondents whether the balance of charts, tables and text was appropriate. In most cases, respondents felt it was 'about right'.
7. The majority of respondents also told us that the charts and background notes were clear, and that the types of insolvency had been clearly defined. Some users did not find it easy to locate the information they required, these users also felt there was too much text in the release.
8. Some users requested data that is already published by us or elsewhere, which suggests that there may be issues relating to access to our statistics.
9. Some users asked for additional series, or breakdowns of existing data, for example:
  - UK totals
  - debt management plans (for individual insolvency)
  - Insolvency administration orders
  - Bankruptcy annulments
10. Some users requested very detailed data which is beyond the scope of what we would consider publishing as Official Statistics, for example Practitioner appointments for each insolvency type; users are still able to request such information through [Freedom of Information requests](#).
11. Further detail on these requests, and our response, is set out in Table 1. Table 2 provides an update on progress made against user needs identified in the 2014-15 user engagement exercise, where we said that we would take action.

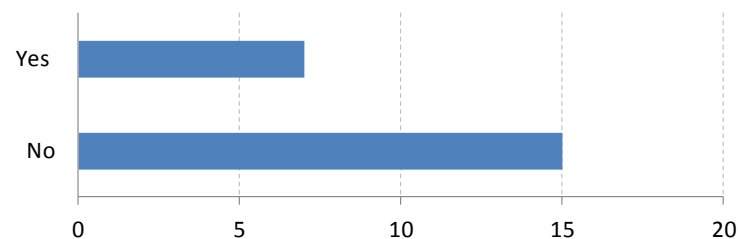
**Balance of Text, Charts and Tables**



**Aspects of Presentation**



Are there any additional series or breakdowns of the data you would like to see in the future?



**Table 1: Additional needs identified by users of Insolvency Service Official Statistics**

| <b>User need</b>   | <b>Our response</b>  |
|--|--|
| UK totals  | Due to differences in legislation and devolved policy regarding individual and company insolvency, figures from England and Wales, Scotland and Northern Ireland are not directly comparable to each other. Further information on this can be found in the <a href="#">Guide to Insolvency Statistics</a> |
| Debt management plans (for individual insolvency)        | <b>This need was also identified in the 2014-15 exercise.</b> The Insolvency Service does not hold any data as this is not a type of insolvency. Debt management plans are monitored and regulated by the Financial Conduct Authority.   |
| Insolvency administration orders & Bankruptcy annulments | The Insolvency Service holds information on Insolvency administration orders and bankruptcy annulments, which is available on request. However, the data has yet to be explored and assessed for quality. We do not plan to include this information in the statistics.                                    |

**Table 2: Progress against user needs identified in 2015-16 user engagement exercise**

| <b>User need</b>            | <b>Our response in 2014-15</b>   | <b>Progress to date</b>   |
|-----------------------------|--|---|
| <i>Company insolvencies</i> |  |   |
| Breakdown of Receiverships  | We are currently investigating the possibility of breaking down the number of receiverships into administrative receiverships (which are formal insolvencies), and fixed charge / Law of Property Act receiverships (which are not formal insolvencies). We will consult users about this change soon. | <p>We have decided to only publish statistics on administrative receiverships and we do not to publish statistics on receiver/manager appointments, because:</p> <ul style="list-style-type: none"><li>-they are not formal insolvencies and are therefore not consistent with other statistics in the publication; and</li><li>- initial investigation of the data has shown that companies can have multiple receiver/manager appointments, covering different charges, on concurrent, consecutive or overlapping time periods. Defining a 'new' receiver/manager appointment would require manual inspection of forms submitted to Companies House, for which we do not have the resource.</li></ul> <p>Further information can be found in the published consultation response:<br/><a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/448579/Insolvency_statistics_consultation_response_July_2015.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/448579/Insolvency_statistics_consultation_response_July_2015.pdf</a></p> |



| <b>User need</b>                             | <b>Our response in 2014-15</b>   | <b>Progress to date</b>   |
|--|--|---|
| Insolvencies by location and size of company | <b>This need was also identified in the 2013-14 exercise.</b> We are exploring the possibility of matching administrative data from the Insolvency Service and Companies House with the Inter-Departmental Business Register (IDBR), which is a database of UK enterprises held by the Office for National Statistics (ONS). If successful, and we and users are satisfied that the number of unmatched companies is acceptable, this will enable breakdowns to be produced using these variables. This work is dependent on a related review of the method used to produce national-level statistics on company insolvency. | The related review of the method used to produce national-level statistics in company insolvencies is complete, and we are now working with ONS to explore the quality of matching to the IDBR. |

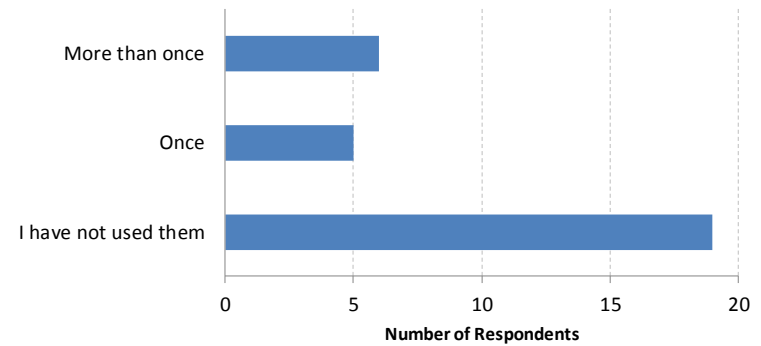
## Insolvency Service Enforcement Outcome Statistics

12. We asked respondents if they have used the experimental statistical release. At the time of the survey, 4 iterations of the bulletin had been published. Approximately one third of respondents to this question had used this publication at least once.
13. Of the respondents who have used this publication, nearly all were happy with the level of detail provided. There was a request for the number of cases rejected and a regional breakdown for top level statistics, however, having looked at the data, we have decided these are not viable options as cases rejected would not fit in with the publications main purpose (enforcement outcomes) and figures are too small to show regional variances.

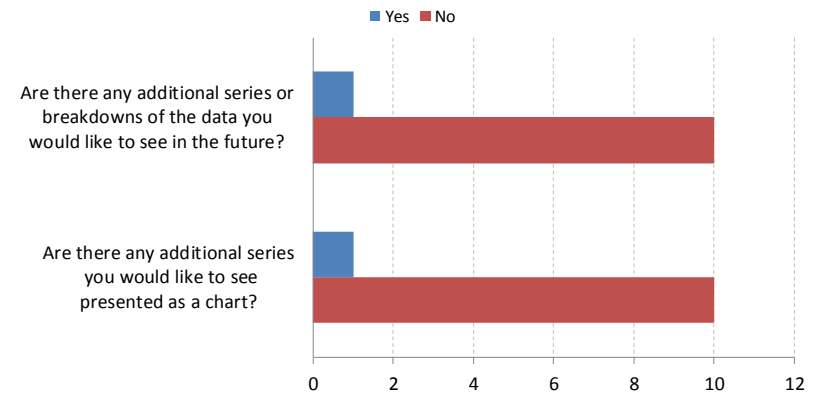
## Dissemination and website

14. Users were made aware of the statistics through a variety of channels. Many regular users are included on an email distribution list, with others accessing the statistics through the publication hub. Other ways of discovering statistics is through the Insolvency Service intranet and using search engines. Unlike the last user response survey, none of the respondents had discovered the statistics through news outlets.
15. The Insolvency Service moved to the common GOV.UK website in April 2014, and all Insolvency Service Official Statistics are now published on this platform. A [“collections” page](#) has been established, which includes links to all recent statistical publications, as well as to documentation on statistical policy and procedures. A link to this page is on the front page of all our statistical publications.

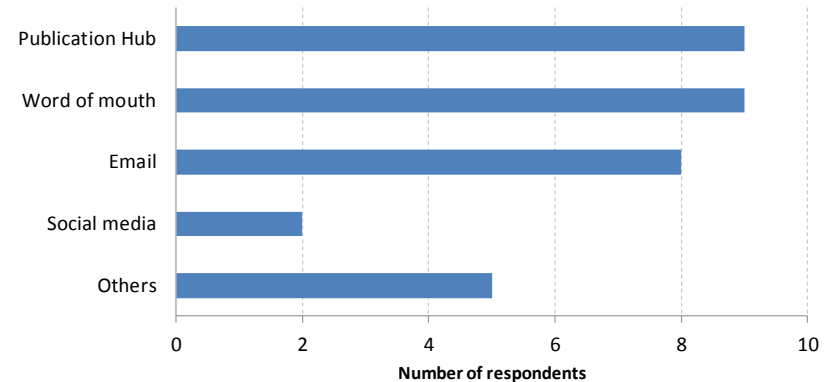
Use of Insolvency Service Enforcement Outcome Statistics



Additional user needs

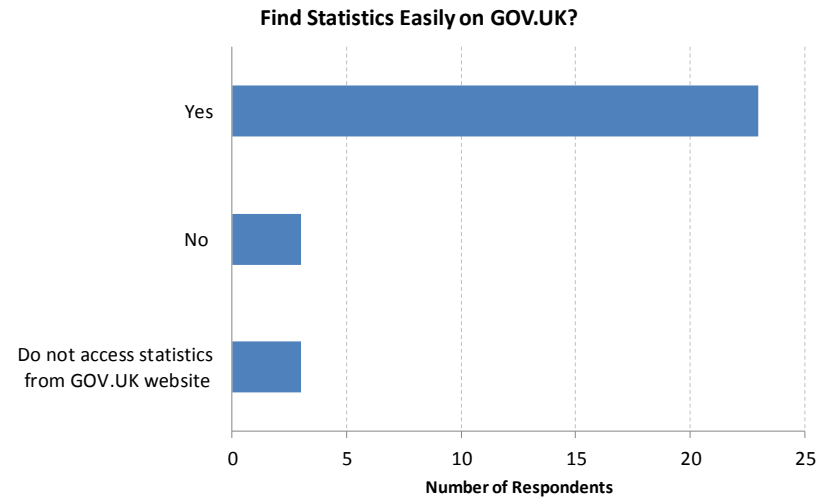


How did you find out about Insolvency Service Statistics



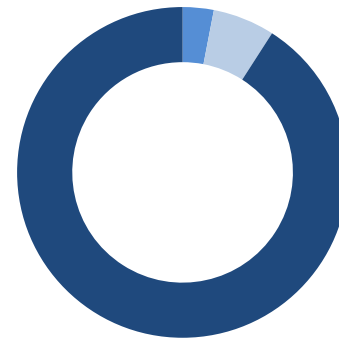
16. Unlike the 2014 feedback where users had mixed views about the move to the GOV.UK website, most respondents now had no problems in finding our statistics on the GOV.UK website

17. The majority of respondents stated that they access our statistics through a desktop or laptop, with only a small number reported using a smartphone or tablet.



### How do you access the statistics?

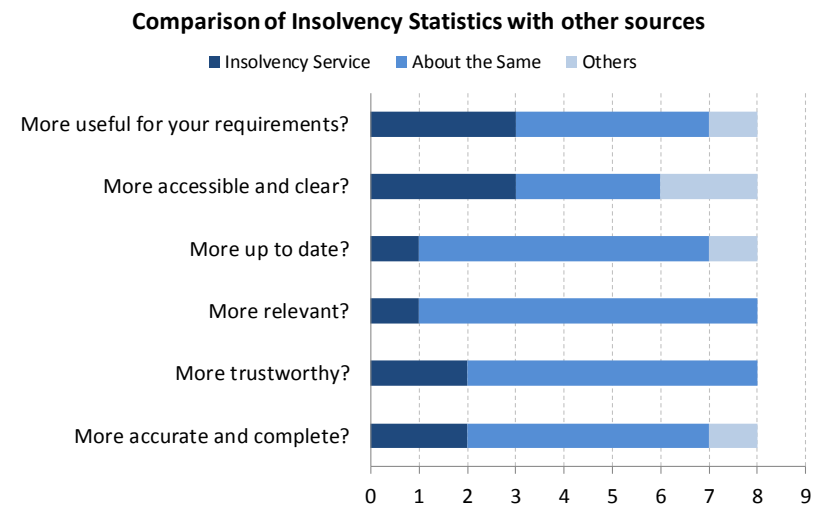
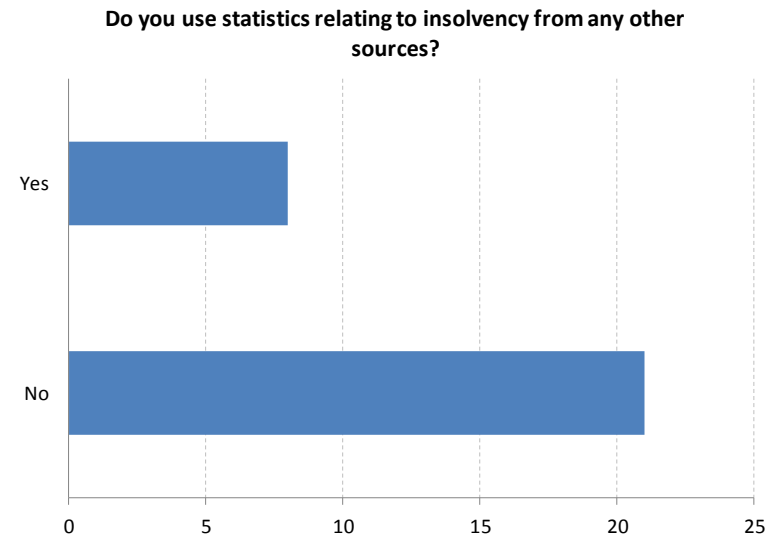
■ Phone ■ Tablet ■ Desktop/Laptop



How did you find out about insolvency

### Statistics from other sources

- 18. We asked users whether they accessed insolvency data from other sources. About one third of those responding to this question used data from one or more of companies house, Experian, Accountant in Bankruptcy (AiB) or other insolvency industry bodies (such as R3).
- 19. We asked these users to compare our statistics with those alternative sources of data. Against most measures, 80% of participants rated Insolvency Service statistics about the same or more highly than others. However, some respondents that also used data from AiB on Scottish insolvencies told us that AiB's data was more useful and accessible.



## Annex A: Extracts from the Code of Practice for Official Statistics

### Principle 1: Meeting user needs

The production, management and dissemination of official statistics should meet the requirements of informed decision-making by government, public services, business, researchers and the public.

#### Practices

1. Engage effectively with users of statistics to promote trust and maximise public value, in accordance with Protocol 1.
2. Investigate and document the needs of users of official statistics, the use made of existing statistics and the types of decision they inform.
3. Adopt systematic statistical planning arrangements, including transparent priority setting, that reflect the obligation to serve the public good.
4. Publish statistical reports according to a published timetable that takes account of user needs.
5. Publish information about users' experiences of statistical services, data quality, and the format and timing of reports.

### Protocol 1: User engagement

Effective user engagement is fundamental both to trust in statistics and securing maximum public value. This Protocol draws together the relevant practices set out elsewhere in the Code and expands on the requirements in relation to consultation.

#### Practices

1. Identify users. Document their statistical needs, and their wishes in terms of engagement.
2. Make users aware of how they can find the information they need.
3. Take account of users' views on the presentation of statistics, and associated commentary, datasets and metadata.
4. Provide users with information about the quality of statistics, including any statistical biases.
5. Involve users in the evaluation of experimental statistics.
6. Seek feedback from users on their experiences of the statistical service they receive, data quality, and the format and timing of outputs. Review the feedback systematically.
7. Consult users before making changes that affect statistics (for example, to coverage, definitions, or methods) or publications. Consultations should be:
  - Informed – by relevant central guidance on how consultations should be conducted; and by the views of user groups on the best means of obtaining views;
  - Efficient – by balancing the importance of the issue and the likely impact of users' views against the time and resources available, so as to obtain good value for money from the consultation process; by liaising and co-ordinating with other producers to avoid duplication of effort and to minimise burdens; and by exploiting different methods of consultation;
  - Clear – by describing the consultation, and expressing the issues, as simply and concisely as possible; and by publishing the timetable for each consultation; and
  - Responsive – by publishing the records of decisions and actions following a consultation, together with explanations for them; and by publishing individual responses, unless anonymity is requested.



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