Individual Insolvencies by Parliamentary Constituency

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, local authority and Parliamentary constituency 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 Open Geography Portal and are based on Ordnance Survey data.

Population statistics are sourced from the Office for National Statistics publication:

https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/latest

and

https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualsmallareapopulationestimates/mid2018

(and related statistics for previous years). These statistics are used as the denominator when calculating insolvency rates per 10,000 adults.

Maps of insolvency rates by Parliamentary constituency are broken down into categories. These categories are selected using the Jenks natural breaks classification method, a data clustering algorithm which minimizes variance within categories and maximizes variance between categories.

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.

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 most recent such figures relate to Q3 2019, published on 30 October 2019: https://www.gov.uk/government/statistics/individual-insolvency-statistics-july-to-september-2019. The annual statistics in this publication provide breakdowns by Parliamentary constituency.

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 considered when making changes to all our statistics releases. Any changes are pre-announced within our commentaries.

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 first 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.

A postcode quality file was included in the main July release as a separate table and is consistent with this release. For bankruptcies, 6.2% of postcodes were not matched, for IVAs this was 0.5% and for DROs this was 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 that 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.

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 key statistics in this publication relate to the rate of individual insolvency per 10,000 adults, which is dependent on population estimates at Parliamentary constituency level for the denominator in this calculation. The Office for National Statistics released *Annual Small Area Population Estimates, 2018* on 25 October 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.

The date of publication was announced on GOV.UK with a provisional date of November 2019. The final release date of 15 November 2019 was announced on 10 September 2019.

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, which contains key results and commentary to help interpret the data, and detailed data tables in 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 constituency boundaries as at December

2018, allowing for comparisons to be made between time periods and between geographical areas.

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.