



Individual Insolvencies by Location, Age and Gender, England and Wales, 2019

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1. Main messages

- The total insolvency rate increased for the fourth successive year; similarly to last year the insolvency rate increased in all regions of England and Wales in 2019.
- The North East continued to have the highest insolvency rates, while London had the lowest.
- Of the 10 local authorities with the lowest insolvency rates, 9 were in London.
- Eight out of the 10 local authorities with the highest insolvency rates were in coastal areas.
- The insolvency rate for females was higher than the male rate for the sixth successive year, and the gap has continued to widen.
- Insolvency rates were highest in the 25 to 34 age group for females and 35 to 44 for males.
- Insolvency rates increased for all age groups expected for those aged 65 and over, which decreased slightly.



2. Things you need to know about this release

This statistics release contains data on individual insolvencies (people who are unable to pay debts and enter formal procedures) broken down by location age and gender for 2019. More recent individual statistics for England and Wales; Scotland and Northern Ireland can be found in our latest [Individual Insolvency Statistics](#) release.

Due to the COVID-19 pandemic, we delayed this release from its usual mid-July publication date to 27 November 2020. This allowed us to use our resources to publish more timely, [monthly insolvency statistics](#), giving users a more up-to-date picture of the effect of the pandemic on insolvencies and the economy. We intend to revert to our usual publication schedule from 2021 but this is subject to change.

Coverage

Statistics are presented only for England and Wales. Scotland and Northern Ireland are not included because of differences in legislation and policy.

Processing error

A processing error was identified affecting some historical time periods in the 2018 release. Cases were incorrectly allocated to some geographies when they should have been recorded elsewhere. Additionally, the number of cases where the geography was unknown was over estimated in 2018 only. This meant that the percentage unmatched was lower than published in last year's methods note. These inconsistencies were small, and the levels, rates and matched percentages have been corrected in this release. Prior publications will remain unrevised.

Boundary changes

There have been several boundary changes at the county and unitary authority, and local authority district level since our last publication. We have incorporated the boundary changes from both 1 April 2019 and 1 April 2020. Due to the correspondence between the old and new boundaries, it was straightforward to derive historical estimates for the new geographies without re-matching old postcodes on the new basis. These figures covering the period 2000 to 2018 have been included in the time series tables alongside the 2019 data. Our old publications remain unrevised. As per our usual approach to revisions in this publication, figures from previous years have remained unrevised unless stated otherwise.

The new areas are:

- Bournemouth, Christchurch and Poole (E06000058),
- Dorset (E06000059),
- West Suffolk (E07000245),
- East Suffolk (E07000244),
- Somerset West and Taunton (E07000246),
- Buckinghamshire (E06000060).



Further information on these changes is included in the quality and methodology information document published alongside this commentary.

Coherence

Numbers of new cases presented in these tables are not consistent with the official, headline quarterly [Individual Insolvency Statistics](#) (designated as a National Statistic) estimates 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.

Detailed information

More detailed methodology and quality information has been published alongside this commentary.



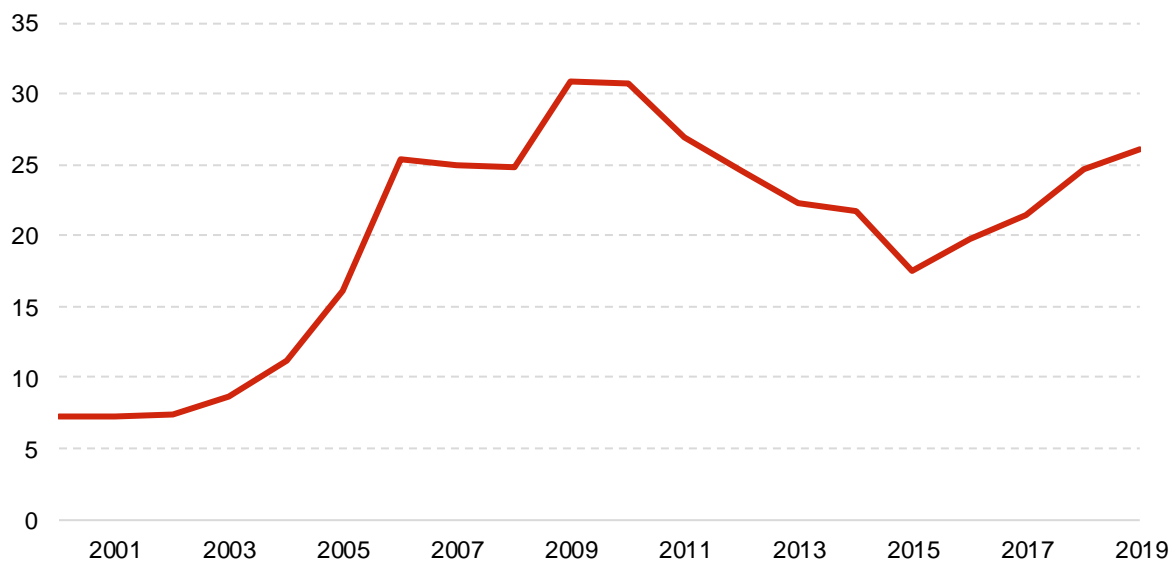
3. Total individual insolvencies

3.1 National trends

The total insolvency rate increased for the fourth successive year to 26.1 per 10,000 adults, a rate increase of 1.4 per 10,000. Individual voluntary arrangements (IVAs) continued to account for the majority of individual insolvencies.

Figure 1: The total individual insolvency rate continued to increase

Rate per 10,000 adults, England and Wales, 2000 to 2019



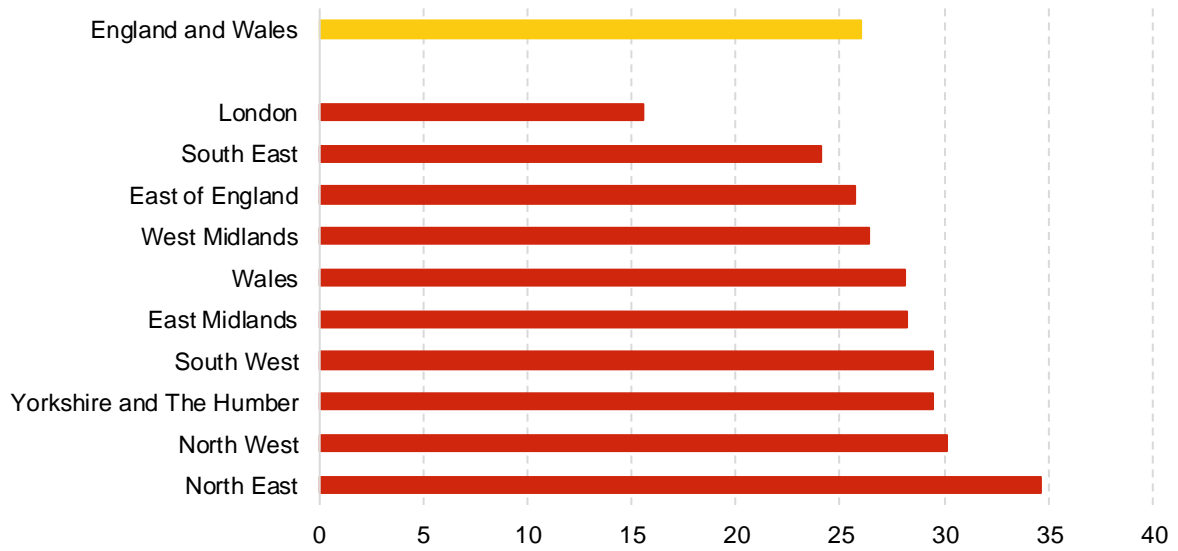
3.2 Regional trends

The North East continued to have the highest rate of insolvency in England and Wales, with 34.6 insolvencies per 10,000 adults. It has been the region with the highest rate of insolvency each year since 2008. It had the highest rate of debt relief orders (DROs) and IVAs, while the South West had the highest rate of bankruptcy. London had the lowest rate of insolvency and had the lowest rate of DROs, IVAs and bankruptcies.



Figure 2: The North East had the highest insolvency rate while London had the lowest

Rate per 10,000 adults, England and Wales, 2019

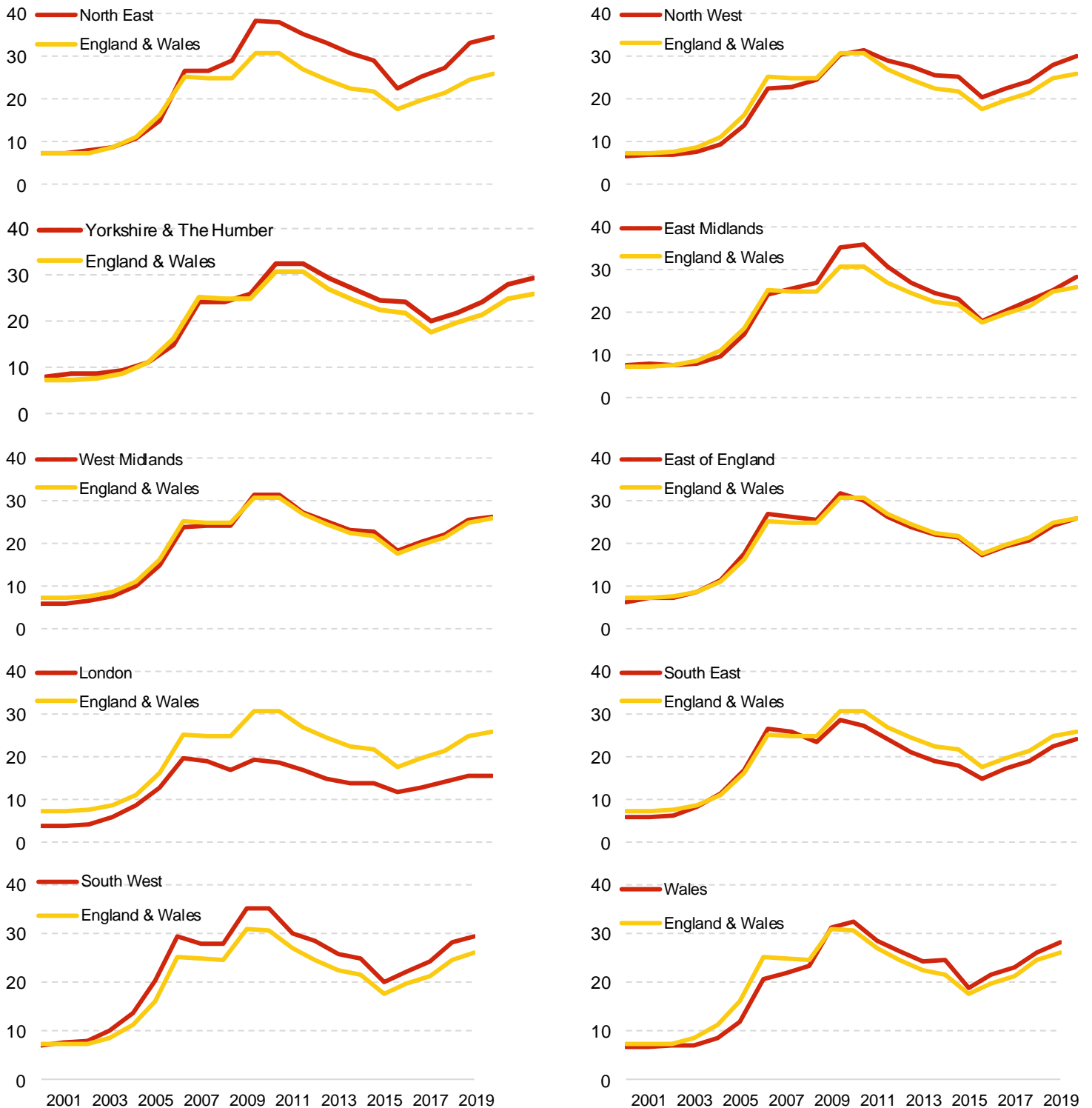


The East Midlands had the largest increase in insolvency rate (an increase by 2.9 per 10,000 adults) while London had the smallest increase in rate (0.1 per 10,000 adults). Regions that already had a larger rate in 2018 tended to see larger rate increases.



Figure 3: The insolvency rate in each region has followed similar trends compared to England and Wales as a whole

Rate per 10,000 adults, England and Wales, 2000 to 2019





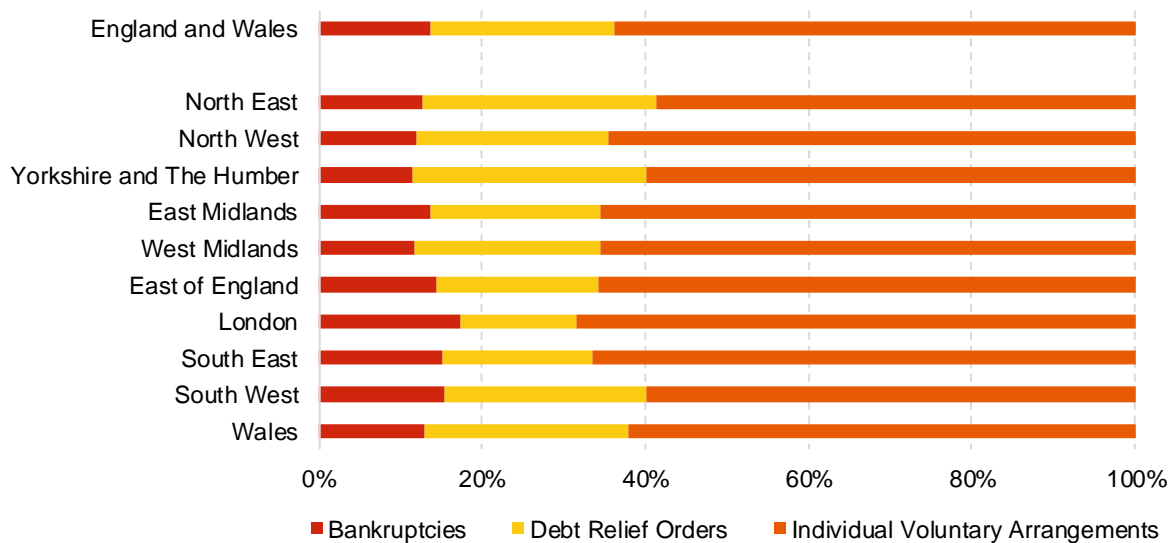
IVAs were the most common type of insolvency in each region. DROs were the second most common insolvency type in each region except London, where bankruptcies were more common.

London had the highest proportion of both bankruptcies and IVAs (relative to insolvency type), while the North East had the highest proportion of DROs.

Yorkshire and The Humber had the lowest proportion of bankruptcies, the North East had the lowest proportion of IVAs; and London had the lowest proportion of DROs.

Figure 4: Individual voluntary arrangements were the most common type of insolvency in each region though the mix of insolvency types varied

Percentage of each insolvency type by region, England and Wales, 2019



3.3 Local authorities

The local authority with the highest total individual insolvency rate in 2019 was Scarborough with a rate of 51.0 per 10,000 adults. Westminster had the lowest individual insolvency rate with a rate of 8.2 per 10,000 adults.

Eight out of the 10 areas with the highest insolvency rates were located in coastal areas; in comparison, 9 out of the 10 areas with the lowest insolvency rates were in London.



Table 1: Eight of the 10 areas with the highest insolvency rates were coastal while 9 of the 10 areas with the lowest rates were in London.

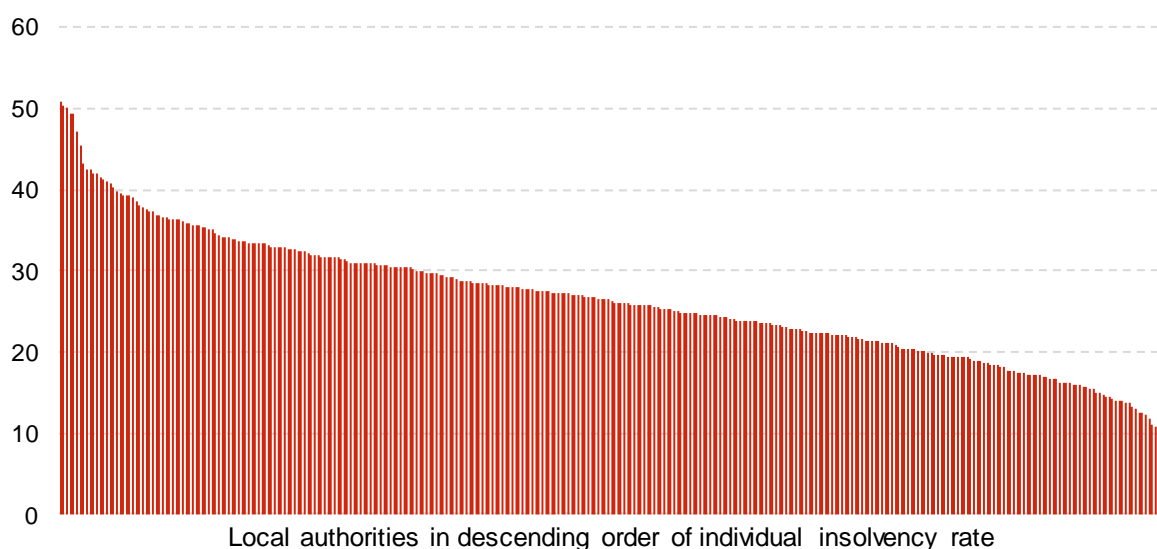
Rate per 10,000 adults, England and Wales, 2019

Highest insolvency rates			Lowest insolvency rates		
Local authority	Number of new cases	per 10,000 adults	Local authority	Number of new cases	per 10,000 adults
Scarborough	453	50.8	Westminster	174	8.2
Blackpool	556	50.4	Camden	221	10.2
Halton	505	50.2	Kensington and Chelsea	132	10.4
Plymouth	1035	49.5	Wandsworth	287	10.8
Kingston upon Hull, City of	1000	49.4	Brent	278	11.0
Stoke-on-Trent	938	47.3	Hammersmith and Fulham	175	11.8
Hastings	334	45.4	Harrow	237	12.4
North East Lincolnshire	541	43.3	Barnet	375	12.4
Corby	231	42.5	Richmond upon Thames	192	12.6
Thanet	475	42.4	Epsom and Ewell	81	13.1

The insolvency rate was higher in 2019 than in 2018 in 237 out of 336 local authorities (71%), unchanged in 5 (1%) and lower in 94 (28%). The largest decrease in the rate was in Torbay with 5.4 fewer insolvencies per 10,000 adults, followed by Watford with 4.9. The largest increase was in Chorley with 13.1 more insolvencies per 10,000 adults followed by Allerdale with 11.4 more insolvencies per 10,000 adults.

Figure 5: The insolvency rate varied significantly by local authority

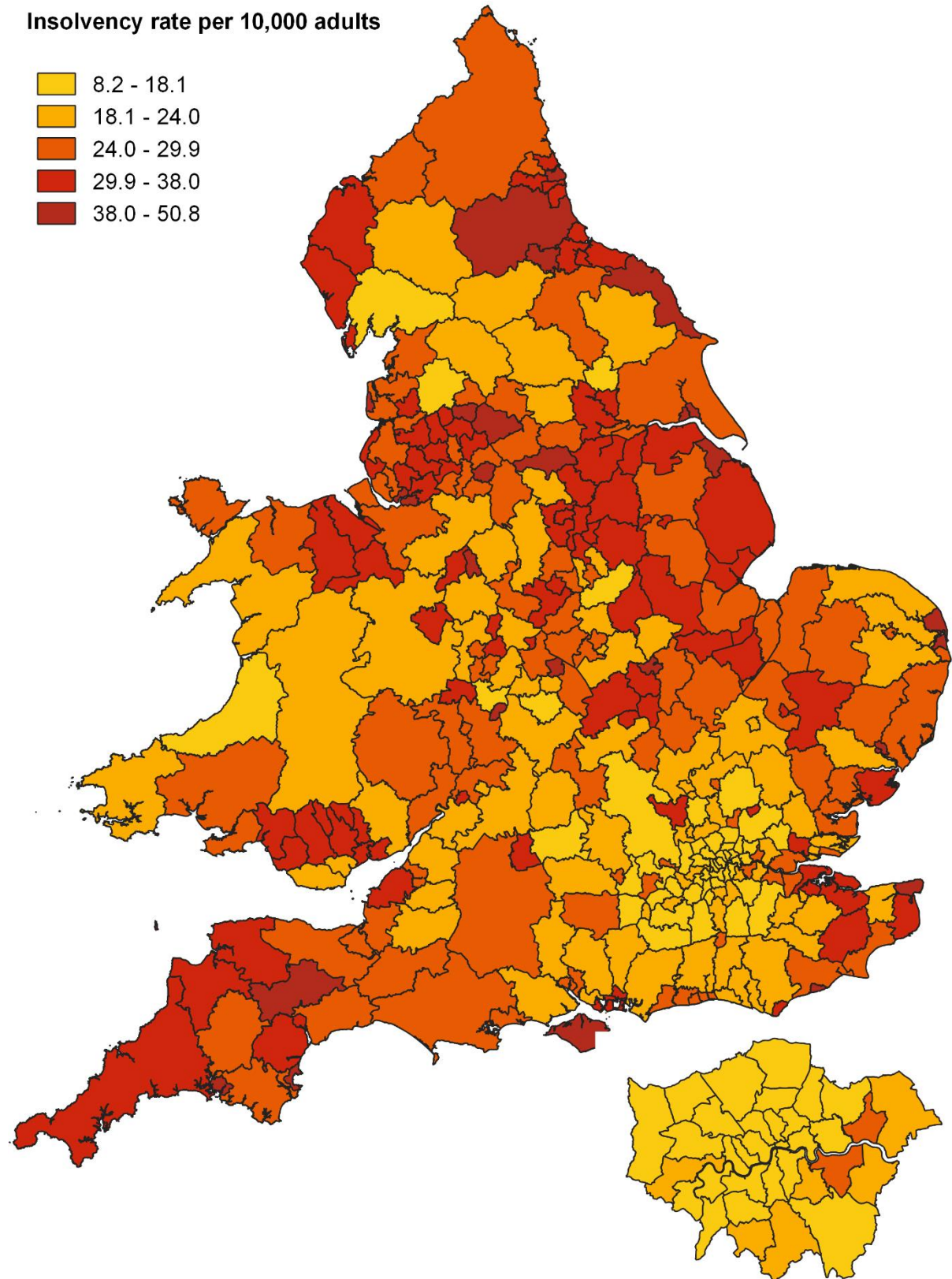
Rate per 10,000 adults, England and Wales, 2019





Map 1: Many of the local authorities with the lowest insolvency rates were found in and around London

Rate per 10,000 adults, England and Wales, 2019





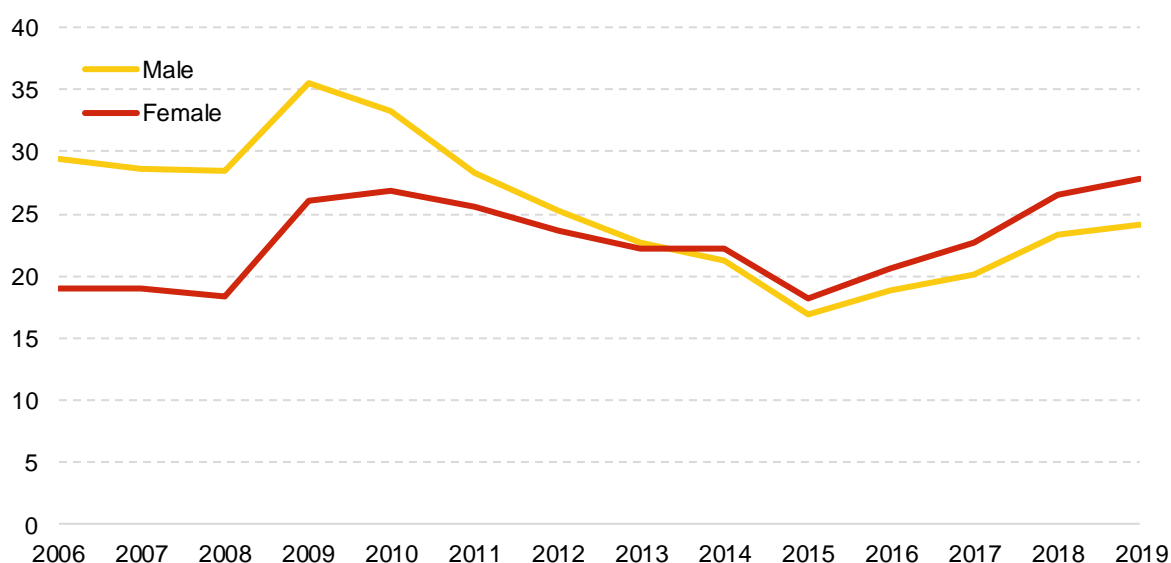
3.4 Gender and age analysis

In 2019, the insolvency rate for females was 27.8 insolvencies per 10,000 adults and 24.1 for males. This represents a gender gap of 3.8, an increase on last year's gender gap of 3.2.

Historically, males had a higher rate of insolvencies per 10,000 adults than females, but the gender gap noticeably narrowed from 2009 onwards and, by 2014, females began to have higher insolvency rates than males. This change coincided with a decline in the number of bankruptcies (where males have a higher rate of insolvency), the introduction and growth in the number of DROs (where the rate for women is higher), and the narrowing and subsequent reversal of the gender gap for IVAs.

Figure 6: The insolvency rate gender gap¹ continues to widen

Rate per 10,000 adults, England and Wales, 2006 to 2019



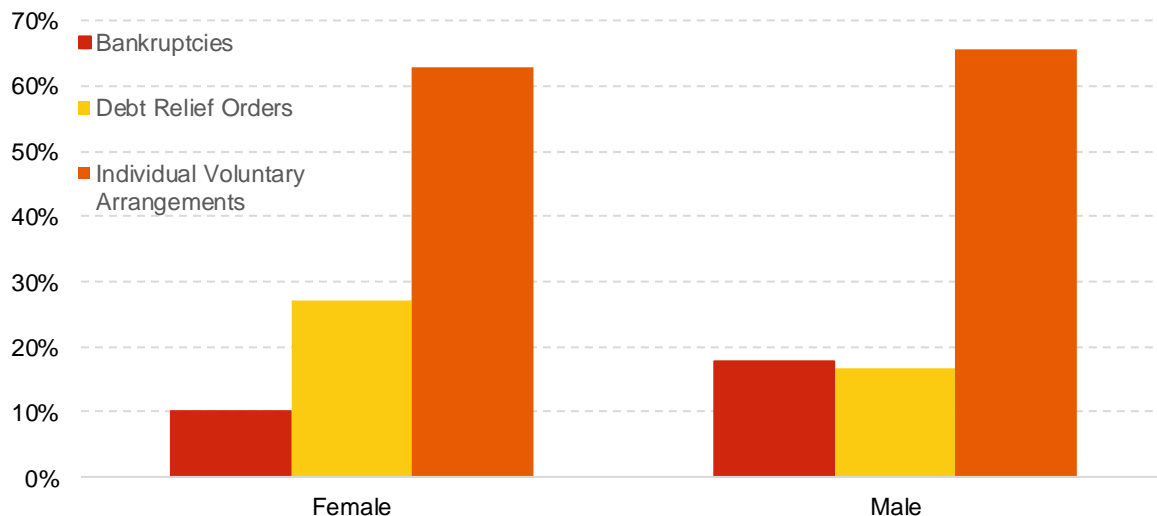
1. This is the difference between the female and male insolvency rate per 10,000 adults.

IVAs accounted for the highest proportion of male and female insolvencies (66% for males, 63% for females). However, the relative proportions of DROs and bankruptcies varied by gender. DROs accounted for 27% of insolvencies amongst females and 17% amongst males. The picture is reversed for bankruptcies, where 10% of insolvencies amongst females were bankruptcies and 18% were males.



Figure 7: The percentage of debt relief orders and bankruptcies varied by gender

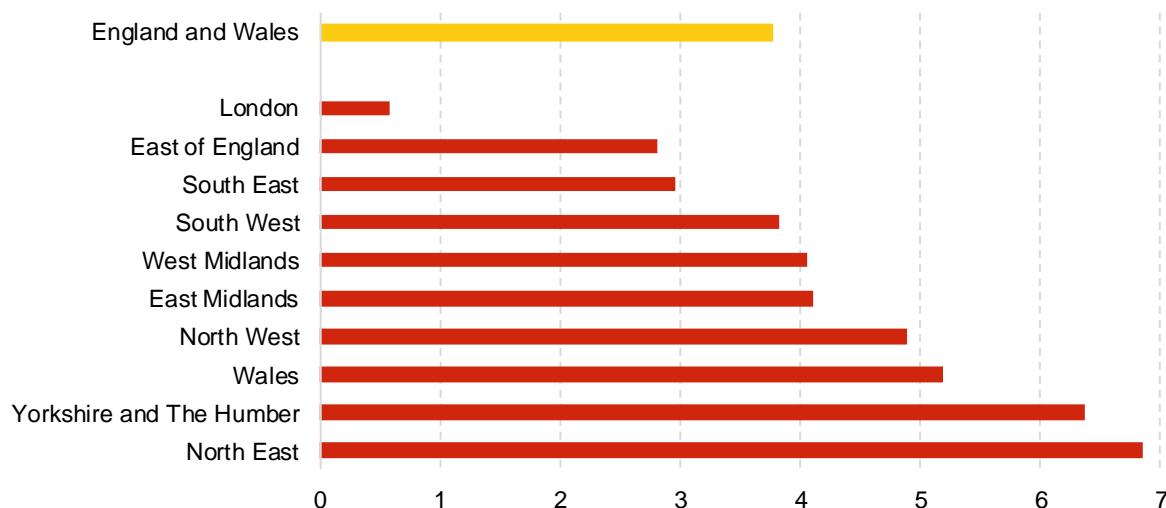
Percentage of insolvency types by gender, England and Wales, 2019



Females had higher insolvency rates than males in every region of England and Wales. The largest gender gap was in the North East (a difference of 6.9 insolvencies per 10,000 adults) while London had the smallest gap (0.6 insolvencies per 10,000 adults) though they have larger and smaller rates respectively. Furthermore, the gap has widened in the North East but it has narrowed in London.

Figure 8: Females had a higher insolvency rate in every region of England and Wales

Gender gap¹ in rate per 10,000 adults, England and Wales, 2019



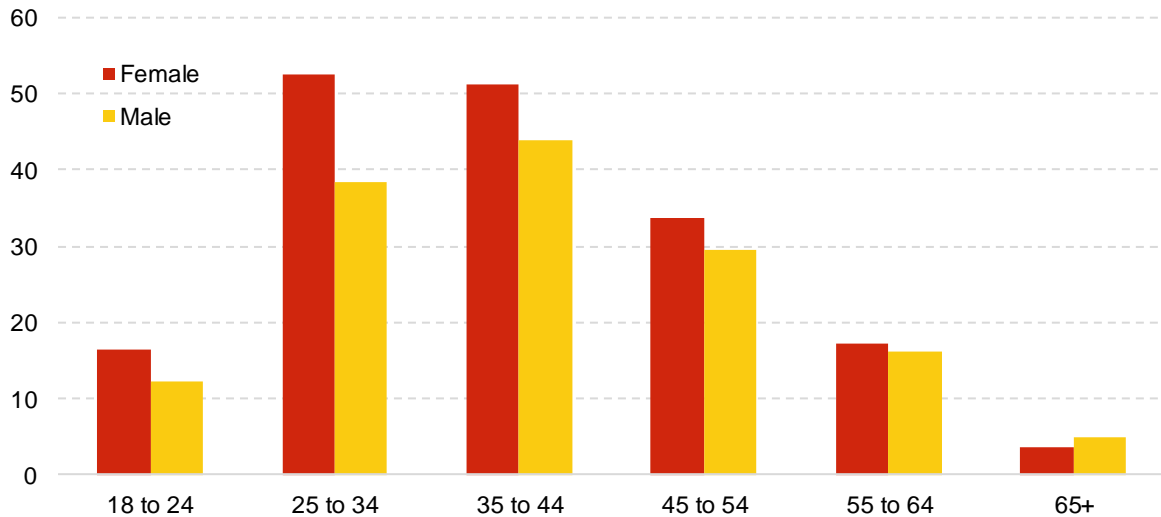
1. The gender gap is the difference between the female and male insolvency rate. A positive gender gap indicates that the female insolvency rate is greater than the male insolvency rate.



In 2019, the distribution of insolvency rates by age remained broadly similar to 2018. The trend of insolvency rates being lower in younger adults then peaking in middle age before falling again in older adults continues in 2019. This trend has been similar since 2006.

Figure 9: Insolvency rates were lower in younger adults, before rising in middle age and falling again for older adults

Rate per 10,000 adults, England and Wales, 2019



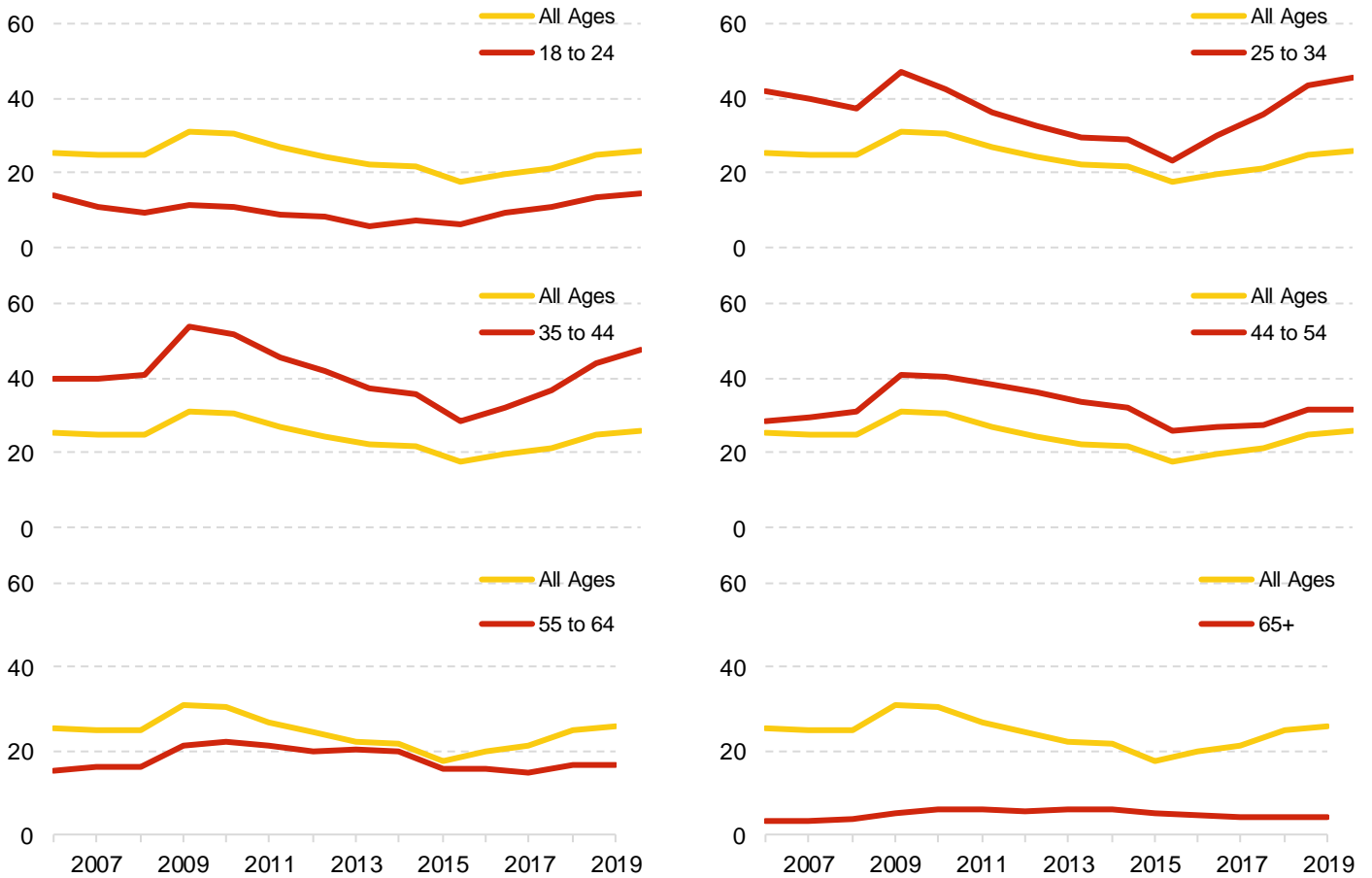
The insolvency rate was higher amongst females under 65 years old, compared to males of the same age. The reverse was true for those aged 65 and over. This pattern was also seen in 2018.

Additionally, the insolvency rate increased for all age groups in 2019 compared with 2018 except over 65s which decreased slightly. The 35 to 44 year old age group saw the largest rate increase (an increase of 3.6 per 10,000 adults). Increases in insolvency rates are largely being driven by adults aged less than 45 years old while older adults are seeing less change in their rates.



Figure 10: Increases in insolvency rates are being driven by younger adults while older adults are seeing little change

Rate per 10,000 adults, England and Wales, 2006 to 2019

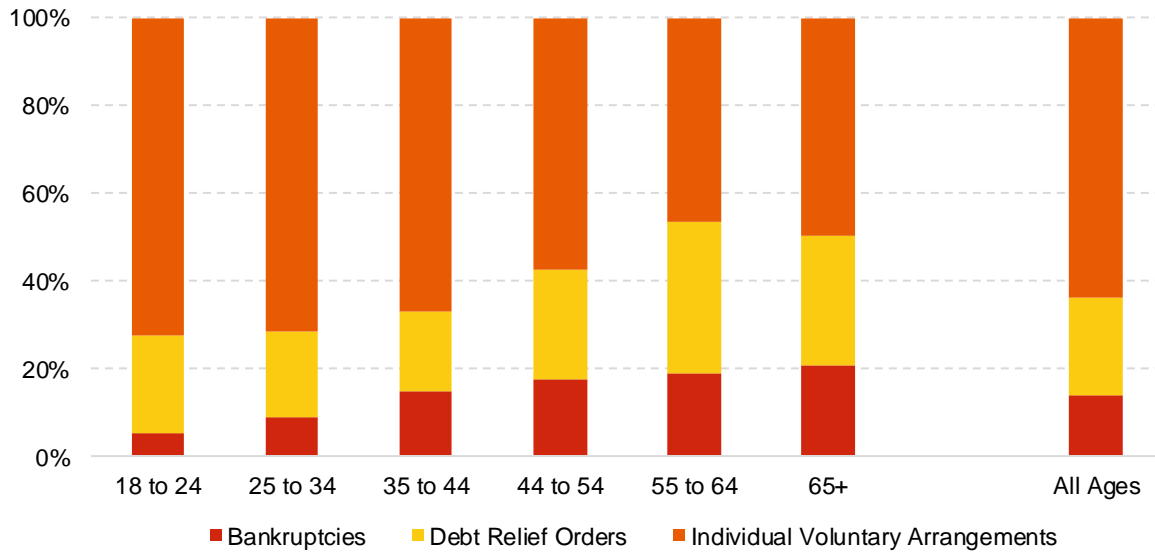


IVAs were the most common type of insolvency in all age groups, but the extent of this varied. The proportion of insolvencies which are IVAs tends to increase with age whereas, with bankruptcies, the opposite trend is observed.



Figure 11: The proportion of insolvencies made up of individual voluntary arrangements tends to decrease with age in contrast to bankruptcies

Percentage of each insolvency type by age group, England and Wales, 2019





4. Bankruptcies

Note: legislative changes may have affected these statistics so care should be taken when comparing bankruptcies between years.

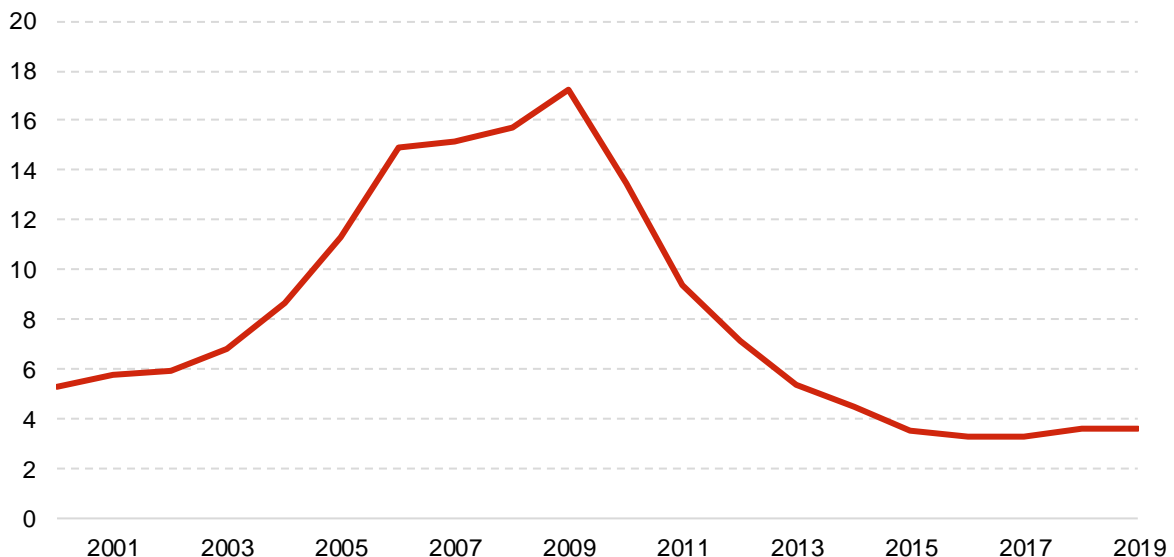
- There has been a change to the process for people making themselves bankrupt, which has removed the courts from the process. Since 6 April 2016, applications must be submitted online via the central UK Government website, <https://www.gov.uk/>, to the adjudicator within the Insolvency Service. The process also allows the costs of the application to be made by instalments.
- There has been 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 1 October 2015.

4.1 National trends

In 2019, the rate of bankruptcies was 3.6 per 10,000 adults in England and Wales, the same as 2018. The bankruptcy rate had been trending downwards following the financial crisis but has been fairly stable in recent years.

Figure 12: The bankruptcy rate remains low

Rate per 10,000 adults, England and Wales, 2000 to 2019



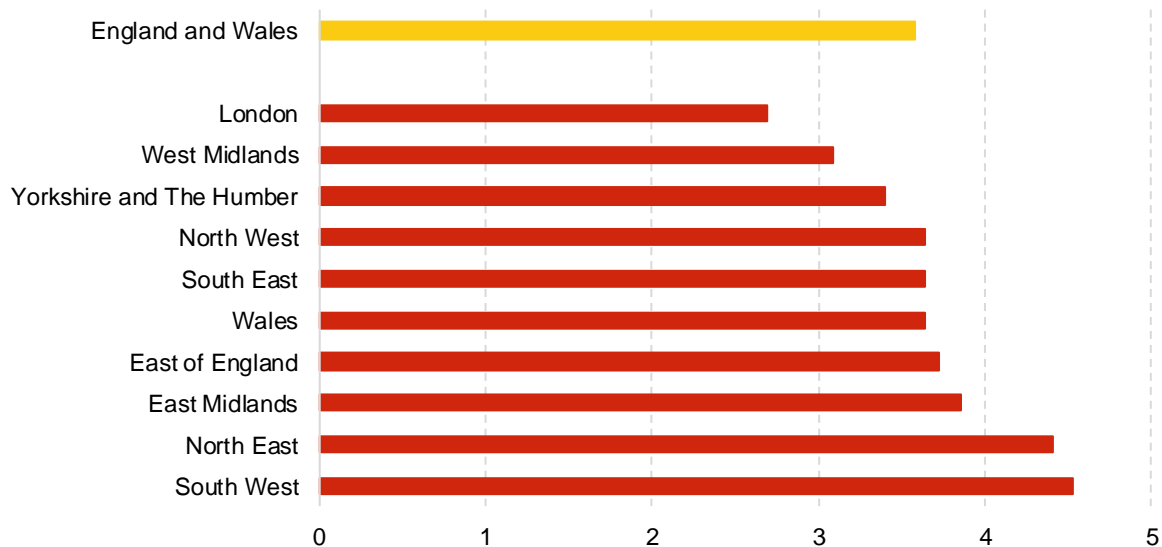


4.2 Regional trends

The South West had the highest rate of bankruptcies in 2019 at 4.5 per 10,000 adults, slightly higher than the rate in the North East (4.4 per 10,000 adults) which had the highest rate each year since 2011 prior to this. London had the lowest rate at 2.7 and has had the lowest rate each year since 2006.

Figure 13: The bankruptcy rate was highest in the South West and lowest in London

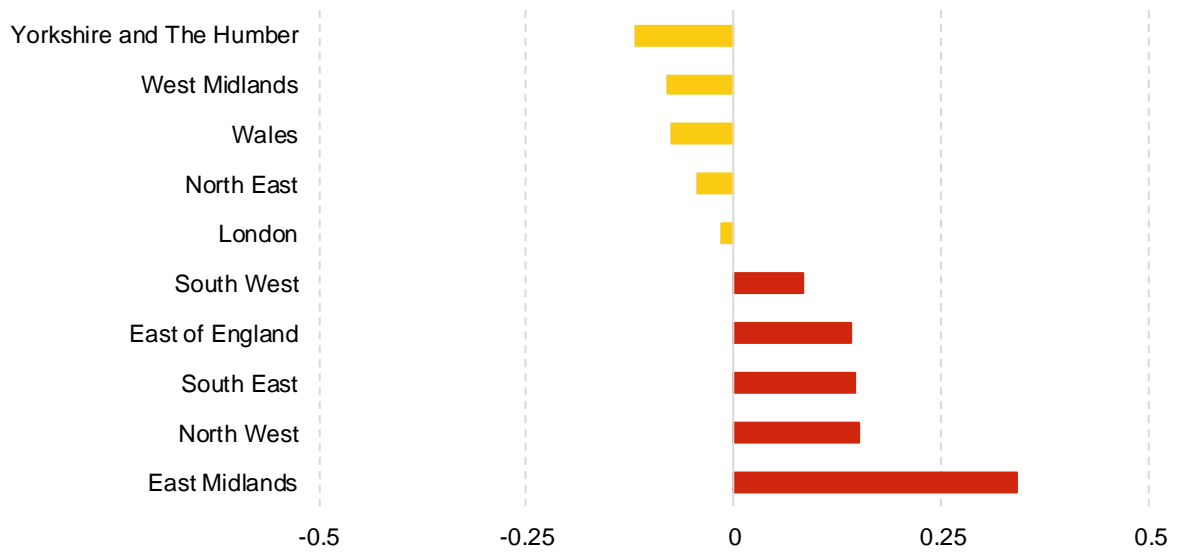
Rate per 10,000 adults, England and Wales, 2019



Compared with 2018, the largest increase in bankruptcy rate was in the East Midlands which saw an increase of 0.3 per 10,000 adults. In contrast, the largest decreases were seen in Yorkshire and The Humber, the West Midlands and Wales, though these decreases were slight. Five regions saw a rate increase this year and 5 saw a decrease.



Figure 14: The largest increase in bankruptcy rate was in the East Midlands
Change in rate per 10,000 adults compared with previous year, England and Wales, 2019





4.3 Local authorities

Excluding the Isles of Scilly and the City of London due to low populations, the local authority with the highest bankruptcy rate in 2019 was Torbay with 7.3 bankruptcies per 10,000 adults. Torbay was also the local authority with the highest rate in 2018. The local authority with the lowest rate of bankruptcy was Cambridge with 1.6 per 10,000 adults. In 2018, Cambridge was also in the bottom 10 for lowest bankruptcy rates.

The bankruptcy rate was higher in 2019 than in 2018 in 170 out of 336 local authorities (51%), unchanged in 16 (5%) and lower in 150 (45%). Excluding the Isles of Scilly due to low population, the local authority with the largest increase in bankruptcy was Great Yarmouth (a rate increase of 3.3 per 10,000 adults compared to 2018). The largest decrease was in West Devon which fell by 2.7 per 10,000 adults.

Table 2: Excluding authorities with low populations¹, Torbay had the largest bankruptcy rate while Cambridge had the lowest

Rate per 10,000 adults, England and Wales, 2019

Highest bankruptcy rates			Lowest bankruptcy rates		
Local authority	Number of new cases	per 10,000 adults	Local authority	Number of new cases	per 10,000 adults
Isles of Scilly ¹	2	10.6	Cambridge	16	1.6
City of London ¹	7	8.6	Lewisham	43	1.8
Torbay	81	7.3	Southwark	47	1.9
Blackpool	72	6.5	Warwick	22	1.9
Plymouth	130	6.2	Sheffield	92	2.0
Maldon	32	6.0	Brent	51	2.0
Basildon	84	5.9	Rushmoor	15	2.0
Conwy	56	5.8	Tower Hamlets	52	2.1
Great Yarmouth	46	5.8	Vale of White Horse	22	2.1
Scarborough	51	5.7	Rochford	15	2.1

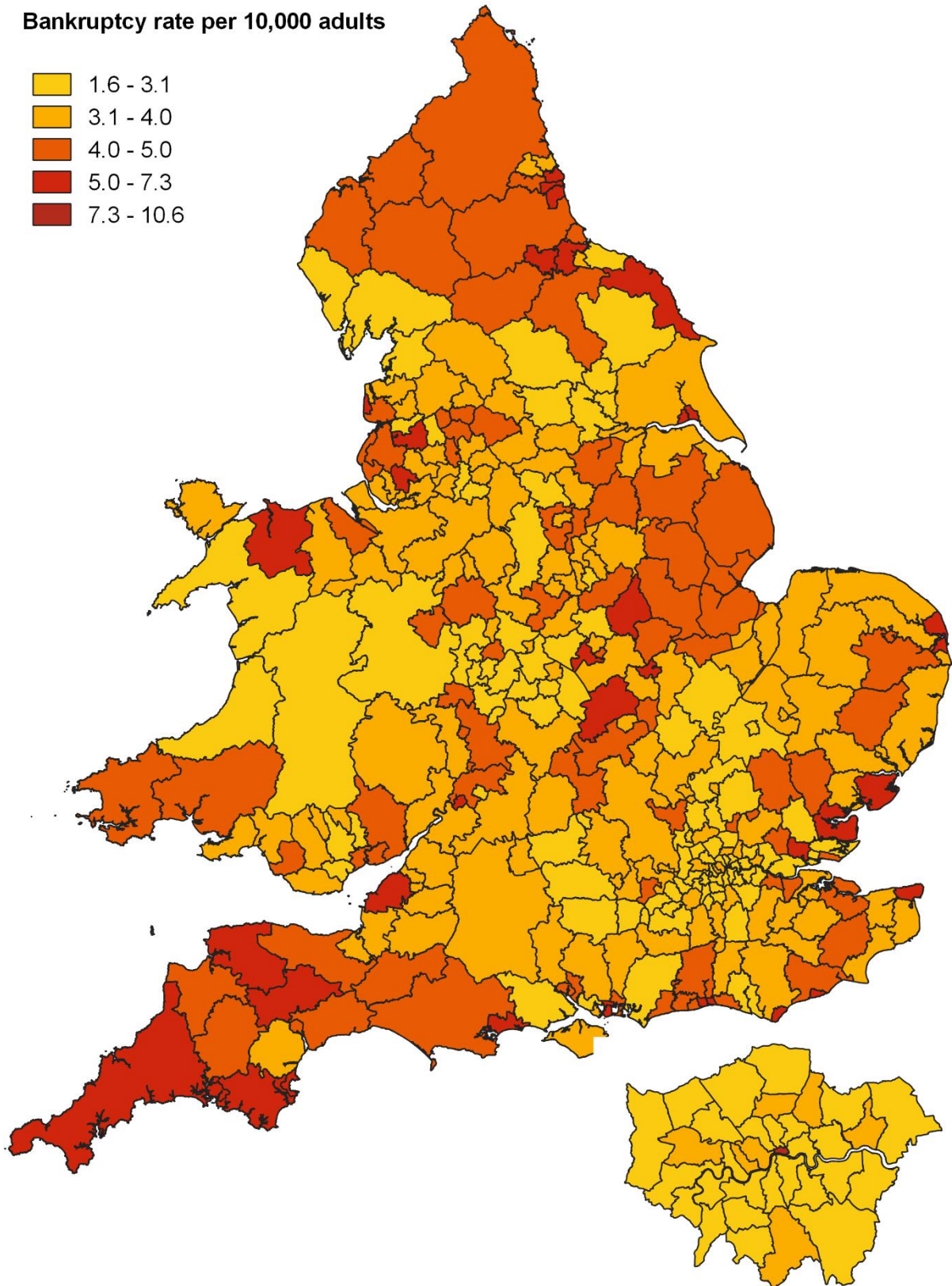
1. Due to low population the rates of the Isles of Scilly and the City of London are highly variable.



Map 2: Higher rates of bankruptcy tended to be in the North East, the South West and the East Midlands

Rate per 10,000 adults, England and Wales, 2019

Bankruptcy rate per 10,000 adults



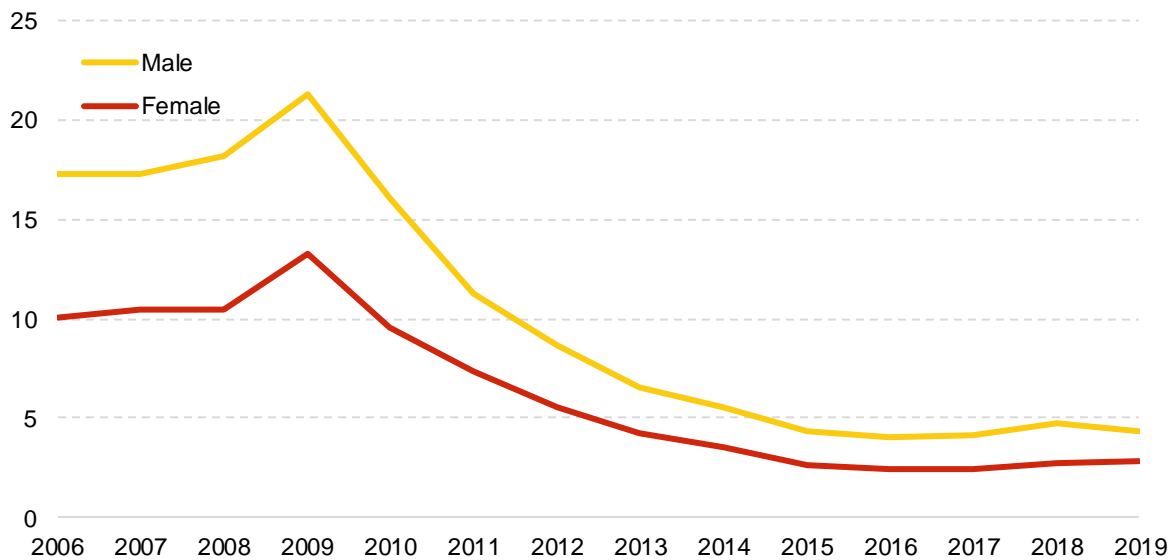


4.4 Gender and age analysis

The bankruptcy rate decreased this year for males but was flat for females. The decreasing trend in overall bankruptcies has occurred in both males and females, though the gender gap has narrowed this decade.

Figure 15: The bankruptcy rate continued to be higher for males than females

Rate per 10,000 adults, England and Wales, 2000 to 2019

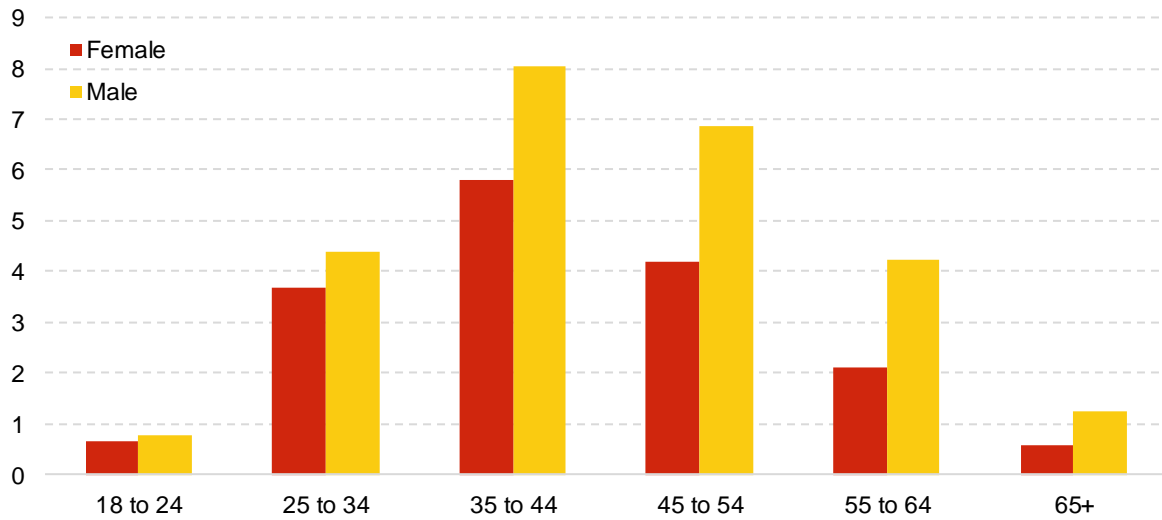


In 2019, bankruptcy rates were lower in younger adults, peaked for those aged 35 to 44, then fell again in older adults. This trend has been seen since 2006 and is similar to the trend observed for overall insolvency rates. The rate of bankruptcy per 10,000 adults was higher for males than for females in all age groups, but the gap between rates varied by age group. It appears that the relative gender gap increases with age. For people aged 18 to 24, the rate of bankruptcy for males was 1.2x the female rate. This increases as age increases – for those aged 65 and over the bankruptcy rate for males was 2.2x the male rate.



Figure 16: The male bankruptcy rate was higher than the female rate for all age groups though the difference was small for the youngest group

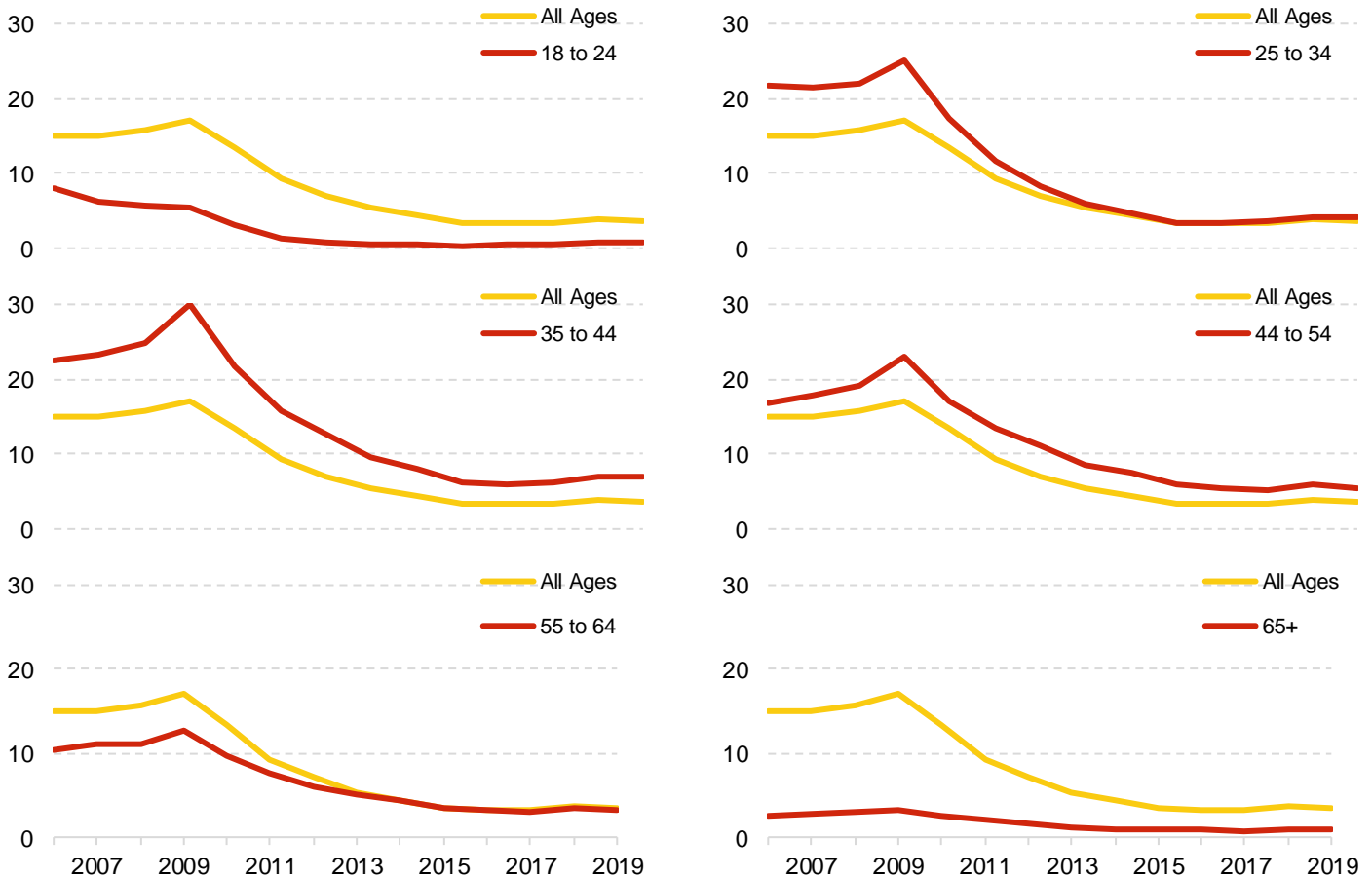
Rate per 10,000 adults, England and Wales, 2019



The bankruptcy rate increased for all age groups, though the increases were smaller for the youngest and oldest age groups.

Figure 17: The bankruptcy rate increased for all age groups but remains low

Rate per 10,000 adults, England and Wales, 2006 to 2019





5. Debt relief orders

DROs provide debt relief and are available to those who have a low income, low assets and up to £20,000 of debt.

Note: legislative changes may have affected these statistics so care should be taken when comparing DROs between years.

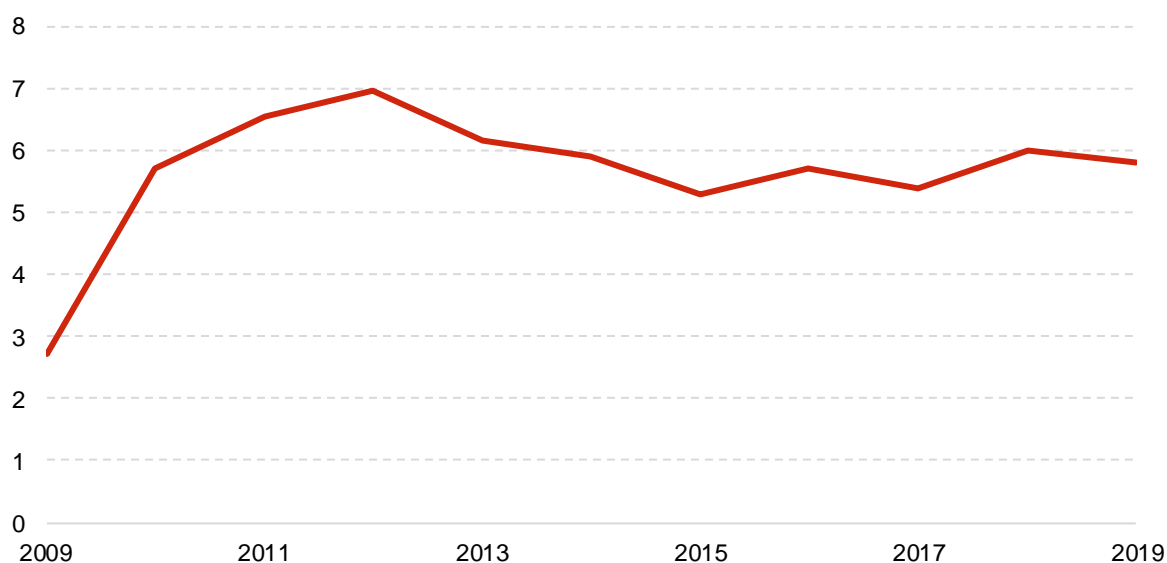
1. In October 2015, the upper limit for qualifying debt was raised from £15,000 to £20,000, and the asset limit was raised from £300 to £1,000. Since that time, about a quarter of DROs have been for amounts between £15,000 and £20,000.

5.1 National trends

In 2019, the rate of DROs was 5.8 per 10,000 adults in England and Wales, a decrease of 0.2 compared to the 2018 rate.

Figure 18: The debt relief order rate has been broadly stable for several years

Rate per 10,000 adults, England and Wales, 2009 to 2019

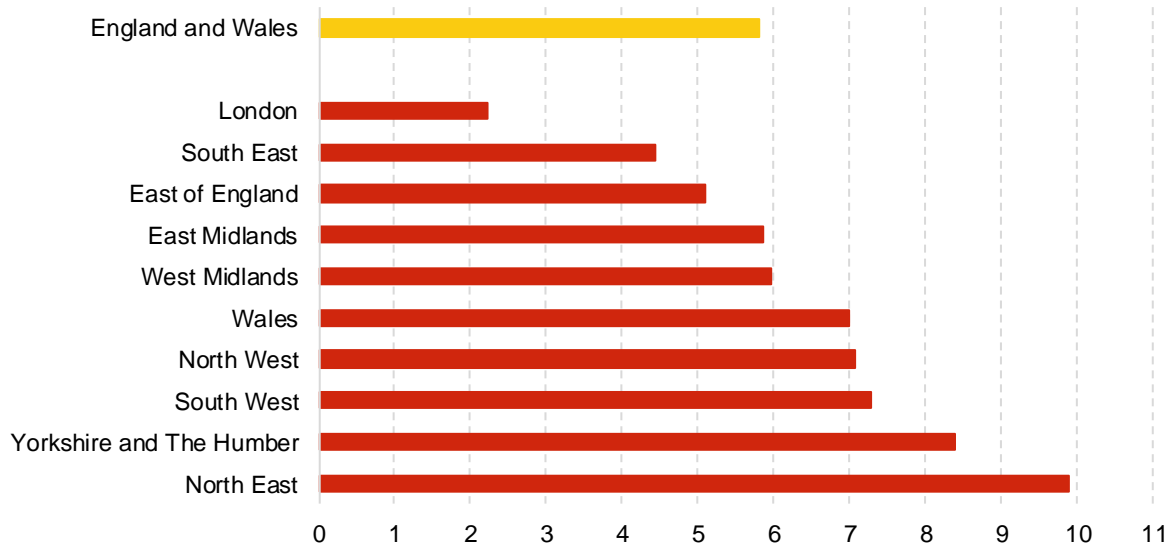


5.2 Regional trends

The North East had the highest DRO rate in 2019 at 9.9 per 10,000 adults (4.1 higher than the overall rate for England and Wales overall). This is the fourth successive year in which the North East has had the highest DRO rate. London had the lowest rate in 2019 at 2.2 (3.5 lower than the overall rate for England and Wales) and has been the region with the lowest rate in each year since the introduction of DROs in 2009.



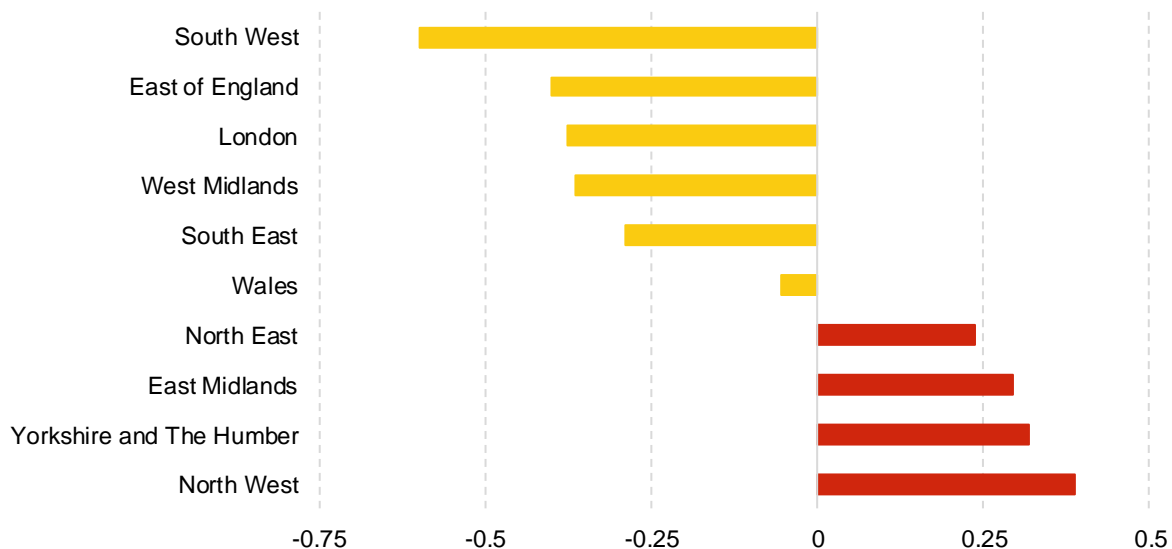
Figure 19: The North East continues to have the highest debt relief order rate
Rate per 10,000 adults, England and Wales, 2019



Compared with 2018, the largest increase in the DRO rate was in the North West which increased by 0.5 per 10,000 adults. In contrast, the largest decrease was in the South West which fell by 0.5 per 10,000 adults. More Northern regions saw an increase in their DRO rate in 2019 while more Southern regions saw a decrease.

Figure 20: The debt relief order rate was broadly stable compared to 2018 and this is reflected in the mix of increases and decreases across regions

Change in rate per 10,000 adults compared with previous year, England and Wales, 2019





5.3 Local authorities

The local authority with the highest DRO rate in 2019 was Scarborough at 28.0 (and has been local authority with the highest rate per 10,000 adults since 2013); the lowest, excluding the Isles of Scilly due to low population, was Wandsworth with 0.7 DROs per 10,000 adults.

The DRO rate was higher in 2019 than in 2018 in 149 out of 336 local authorities (44%), unchanged in 14 (4%) and lower in 173 (51%). The largest decrease was Watford, which saw its rate fall by 6.3 per 10,000 adults. The largest increase in rate was in Copeland which increased by 6.9 per 10,000.

Table 3: Scarborough had the highest debt relief order rate for the sixth consecutive year

Rate per 10,000 adults, England and Wales, 2019

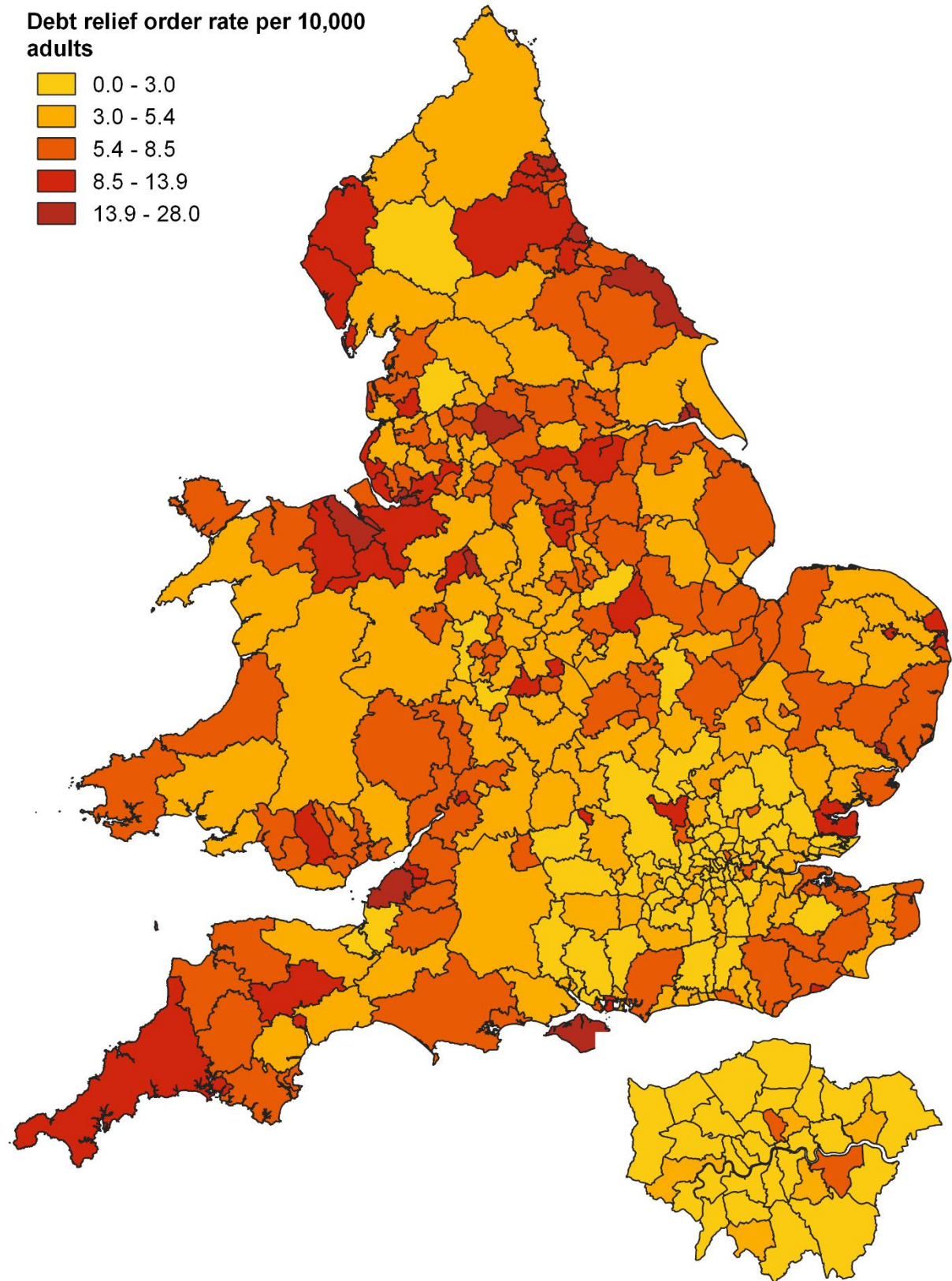
Highest DRO rates			Lowest DRO rates		
Local authority	Number of new cases	per 10,000 adults	Local authority	Number of new cases	per 10,000 adults
Scarborough	250	28.0	Isles of Scilly ¹	0	0.0
Calderdale	330	20.0	Wandsworth	19	0.7
Kingston upon Hull, City of	384	19.0	Kingston upon Thames	14	1.0
Stoke-on-Trent	349	17.6	Harrow	20	1.0
Halton	175	17.4	Brent	28	1.1
Isle of Wight	188	16.1	Rochford	8	1.1
Flintshire	187	15.1	Hillingdon	27	1.2
Ipswich	157	14.8	Barnet	36	1.2
North Somerset	250	14.6	Westminster	26	1.2
Hartlepool	107	14.5	City of London ¹	1	1.2

1. Due to low populations the rates of Isles of Scilly and City of London are highly variable.



Map 3: Many of the local authorities with the lowest debt relief order rates were found in and around London

Rate per 10,000 adults, England and Wales, 2019





5.4 Gender and age analysis

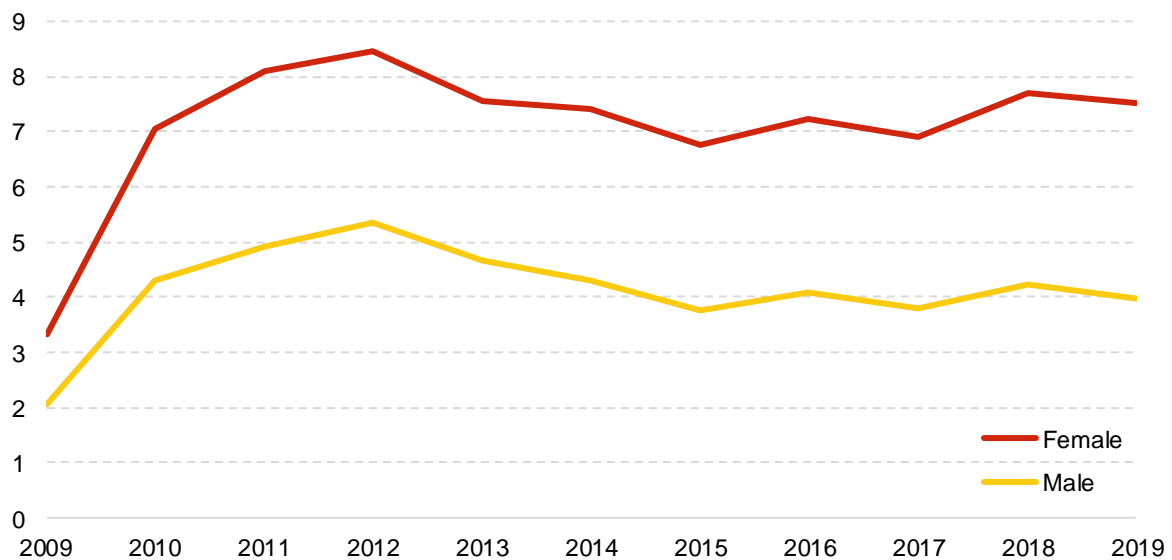
In 2019, the rate of DROs was 7.5 per 10,000 adults for females and 4.0 per 10,000 for males. This represents a gender gap of 3.5, unchanged from 2018.

Both females and males saw a DRO rate decrease of 0.2 per 10,000 adults compared to 2018. Since DROs were introduced in 2009, the rate for females has been consistently higher than for males though both genders have followed the national trend in increases and decreases.

The higher rate of DROs amongst females contributes to the higher rate of overall insolvencies amongst females. The introduction of DROs coincides with the gender gap narrowing and subsequently reversing between male and female overall insolvency rates.

Figure 21: The debt relief order rate continued to be higher for females than for males and this contributed to higher total rates of female insolvency

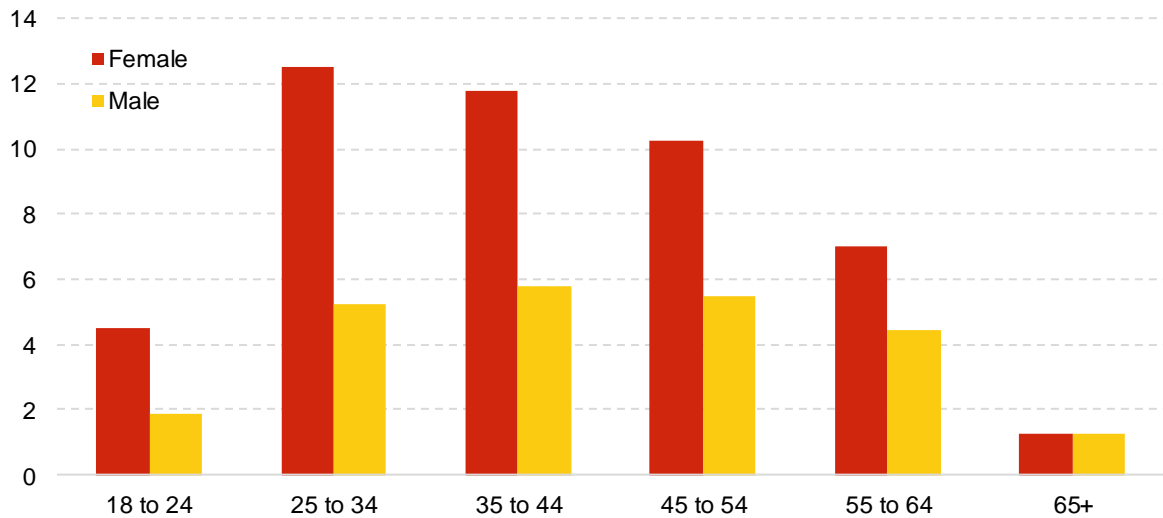
Rate per 10,000 adults, England and Wales, 2009 to 2019



Females had a significantly higher rate for DROs in all categories of ages except in the age group over 65 where the rate was equal. This pattern was also observed in 2018.



Figure 22: The debt relief order rate was larger for females under 65 years old
Rate per 10,000 adults, England and Wales, 2019



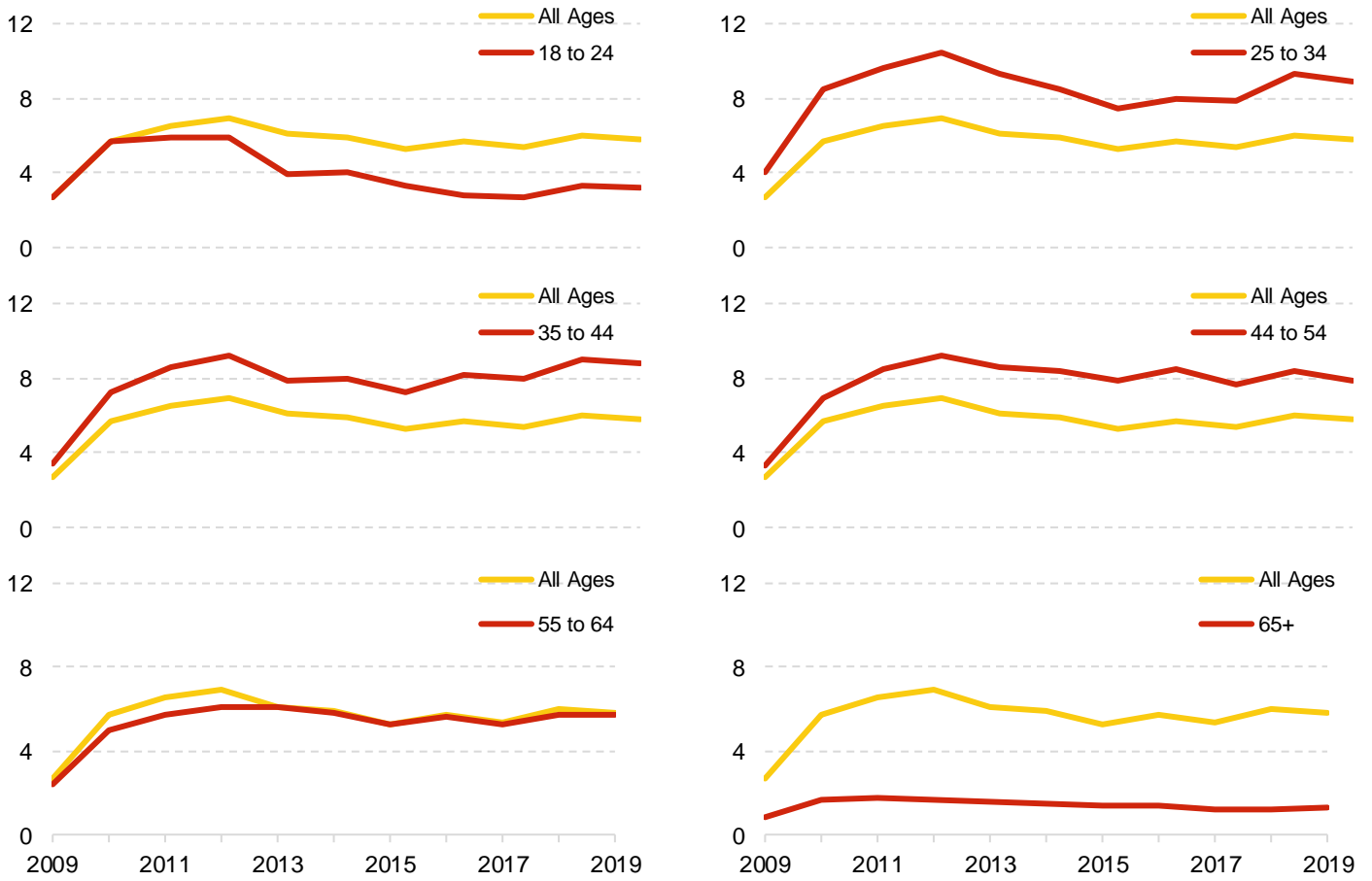
Individuals aged 25 to 34 had the highest rate of DROs in 2019 for the second successive year. Since their introduction in 2009, age groups between 25 and 54 years old have had the highest rates while those over 54 and those under 25 had lower rates. This was similar to the pattern observed in insolvencies as a whole but the rate peaks at a slightly lower age.

All age groups under 55 saw decreases in their DRO rate compared with 2018, while rates in age groups aged 55 and over were unchanged.



Figure 23: Those aged between 25 and 54 tend to have higher than average debt relief order rates

Rate per 10,000 adults, England and Wales, 2009 to 2019





6. Individual voluntary arrangements

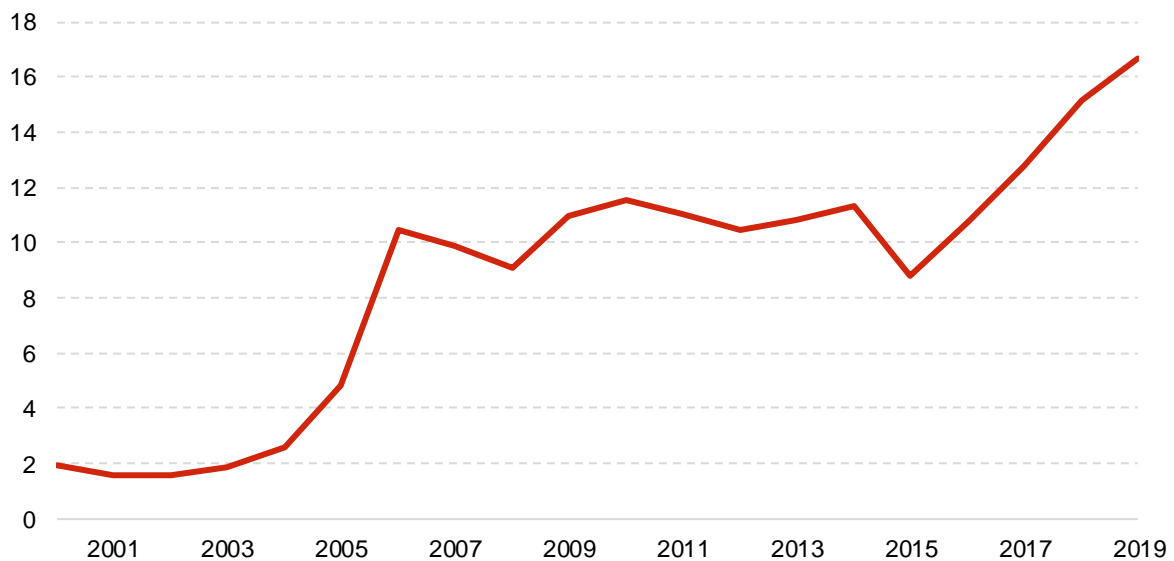
6.1 National trends

In 2019, the rate of IVAs was 16.7 per 10,000 adults in England and Wales. This was an increase of 1.5 in the rate of IVAs per 10,000 adults, from 15.2 in 2018.

2019 was a record high for the IVA rate following successive record highs in both 2017 and 2018.

Figure 24: The individual voluntary arrangement rate continued to climb to record levels following several years of increases

Rate per 10,000 adults, England and Wales, 2000 to 2019



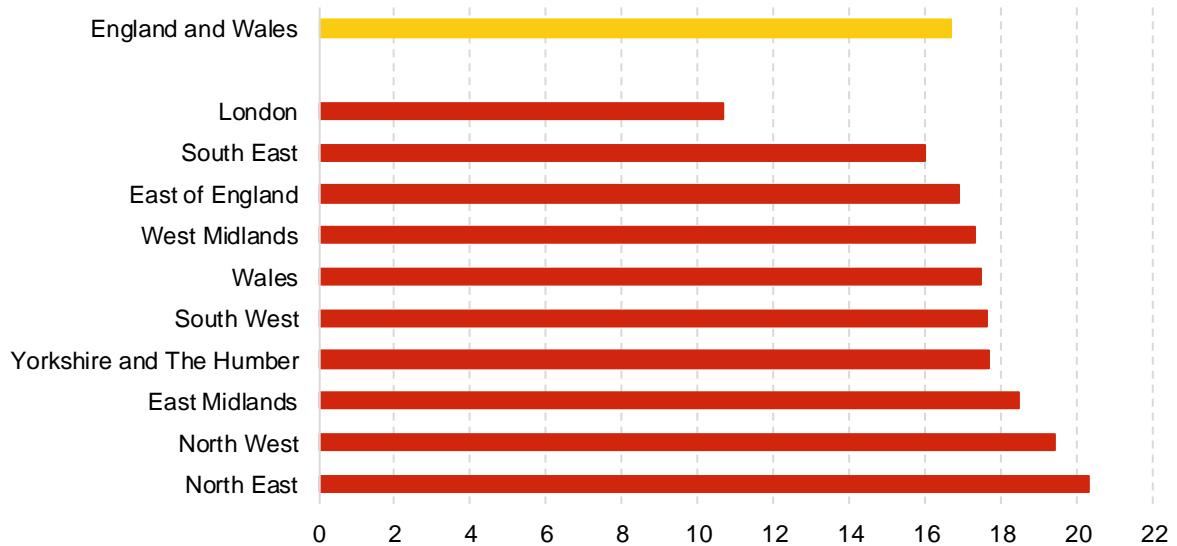
6.2 Regional trends

The North East had the highest IVA rate in 2019 at 20.3 per 10,000 adults (3.7 higher than overall rate for England and Wales), followed by the North West with 19.4 per 10,000 adults. London continued to have the lowest rate in 2019 (10.7 per 10,000 adults).



Figure 25: The individual voluntary arrangement rate was highest in the North East and lowest in London

Rate per 10,000 adults, England and Wales, 2019

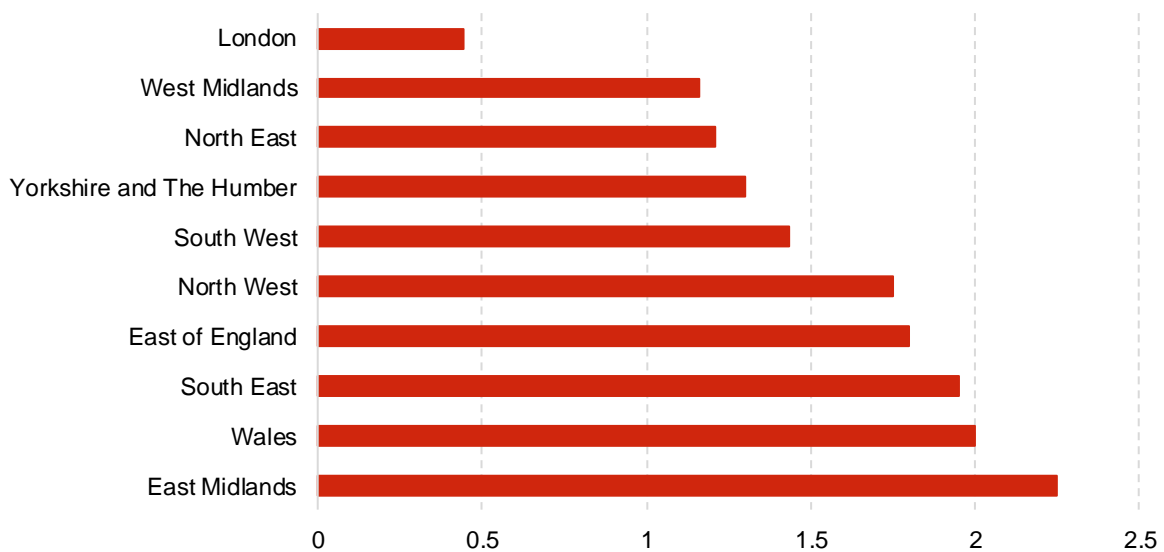


In 2019, the East Midlands had the largest annual increase in IVA rate, increasing by 2.3 adults per 10,000. The smallest increase was in London (0.4 per 10,000 adults). These compare to a national increase of 1.5 IVAs per 10,000 adults.

London has had the lowest rate each year since comparable records began in 2000, while the North East has had the highest rate each year since 2009. Once again, all regions saw a rise in their IVA rate and this has been the case since 2016.

Figure 26: The individual voluntary arrangement rate increased in each region

Change in rate per 10,000 adults compared with previous year, England and Wales, 2019





6.3 Local authorities

The local authority with the highest IVA rate in 2019 was Blackpool at 35.3, which has had the highest rate every year since 2015; the lowest, was Westminster with 3.9 per 10,000 adults.

The IVA rate was higher in 2019 than in 2018 in 268 out of 336 local authorities (80%), unchanged in 3 (1%) and lower in 65 (19%). The largest increase was in Hastings which had a rate increase of 10.2 per 10,000 adults and now appears in the list of areas with the top 10 highest IVA rates. The largest decrease in rate was in Hartlepool which fell by 3.4 per 10,000.

Table 4: Blackpool had the highest individual voluntary arrangement rate for the fifth successive year

Rate per 10,000 adults, England and Wales, 2019

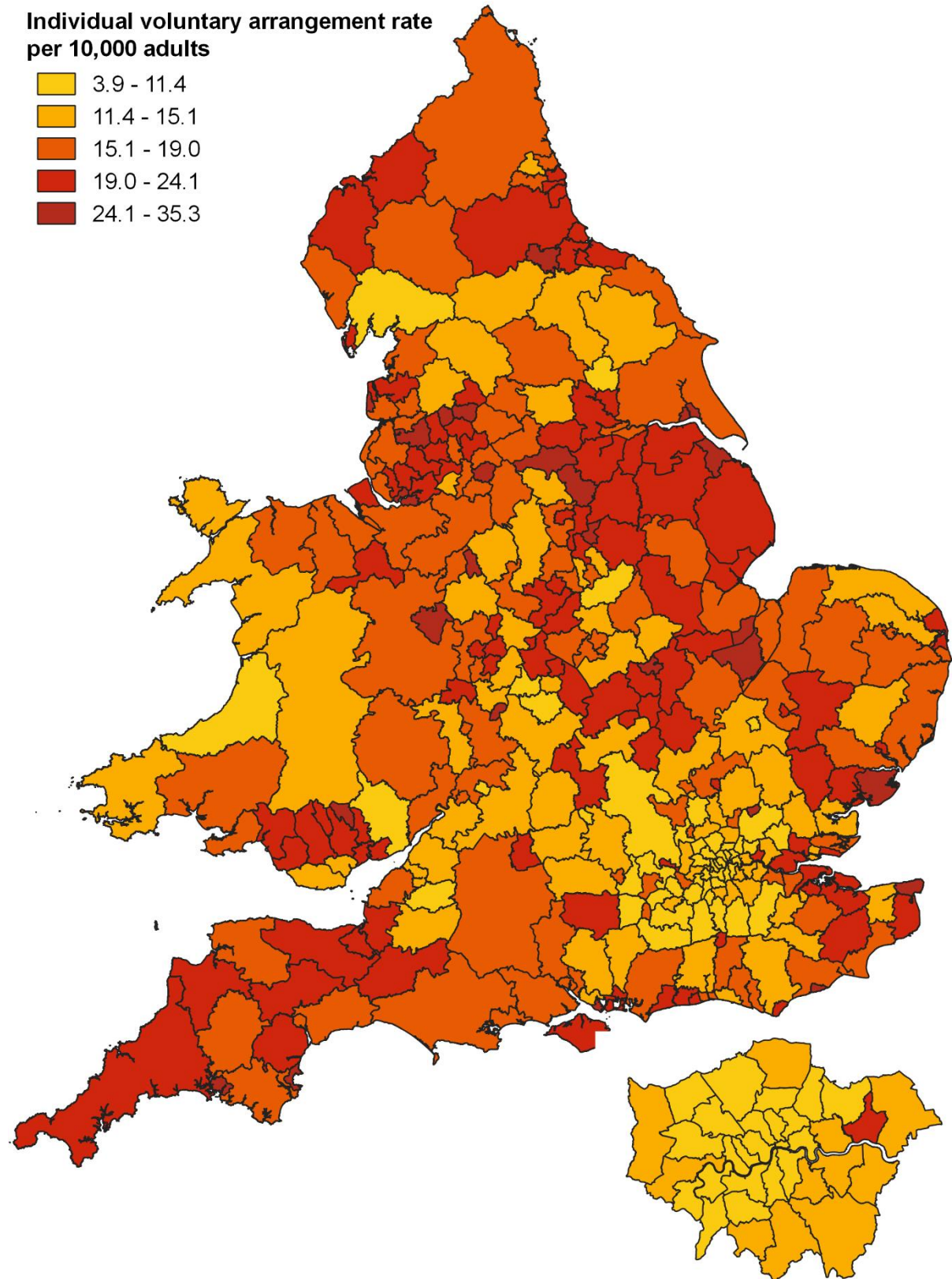
Highest IVA rates			Lowest IVA rates		
Local authority	Number of new cases	per 10,000 adults	Local authority	Number of new cases	per 10,000 adults
Blackpool	389	35.3	Westminster	82	3.9
North East Lincolnshire	388	31.0	Camden	119	5.5
Plymouth	643	30.7	Kensington and Chelsea	73	5.7
Burnley	209	30.6	Hammersmith and Fulham	106	7.2
Thanet	337	30.1	Elmbridge	76	7.4
Corby	163	30.0	<i>City of London¹</i>	6	7.4
Halton	291	28.9	Islington	152	7.6
Redditch	188	28.4	Richmond upon Thames	118	7.8
Hastings	208	28.3	Wandsworth	207	7.8
Tameside	491	27.9	Brent	199	7.9

1. Due to low population the rate of the City of London is highly variable.



Map 4: Local authorities with a lower individual voluntary arrangement rate tended to be in London and the Home Counties

Rate per 10,000 adults, England and Wales, 2019



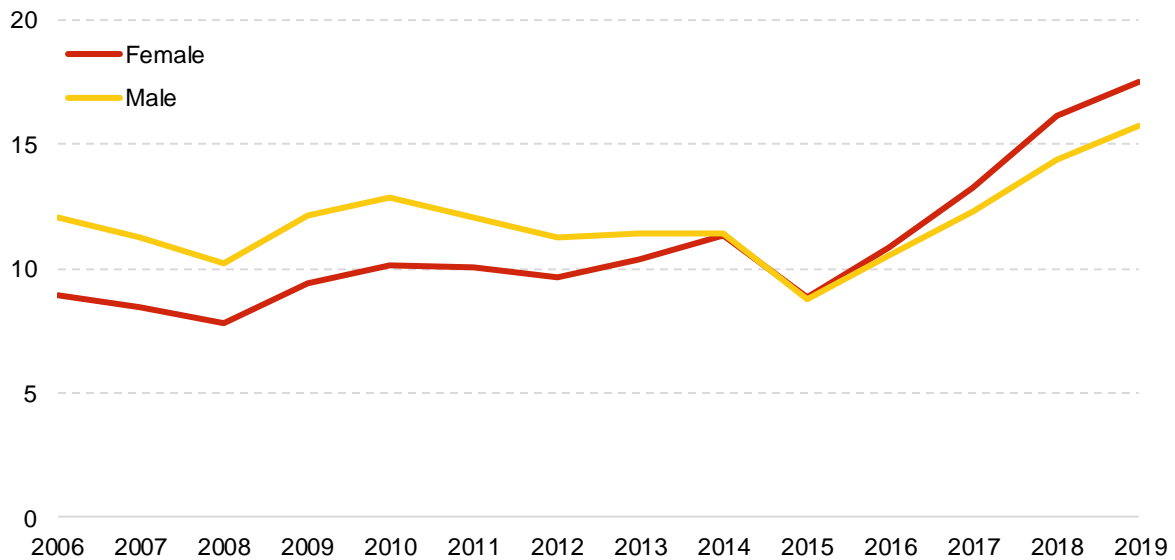


6.4 Gender and age analysis

In 2019, the IVA rate for females was 17.5 and was 15.8 for males. This represents a gender gap of 1.8, unchanged from last year. Historically, males had a higher rate of IVAs per 10,000 adults than females, but the gender gap noticeably narrowed from 2010; and in 2015, females and males had the same rate.

Figure 27: Males historically had a higher rate of individual voluntary arrangements but this has reversed since 2015

Rate per 10,000 adults, England and Wales, 2006 to 2019



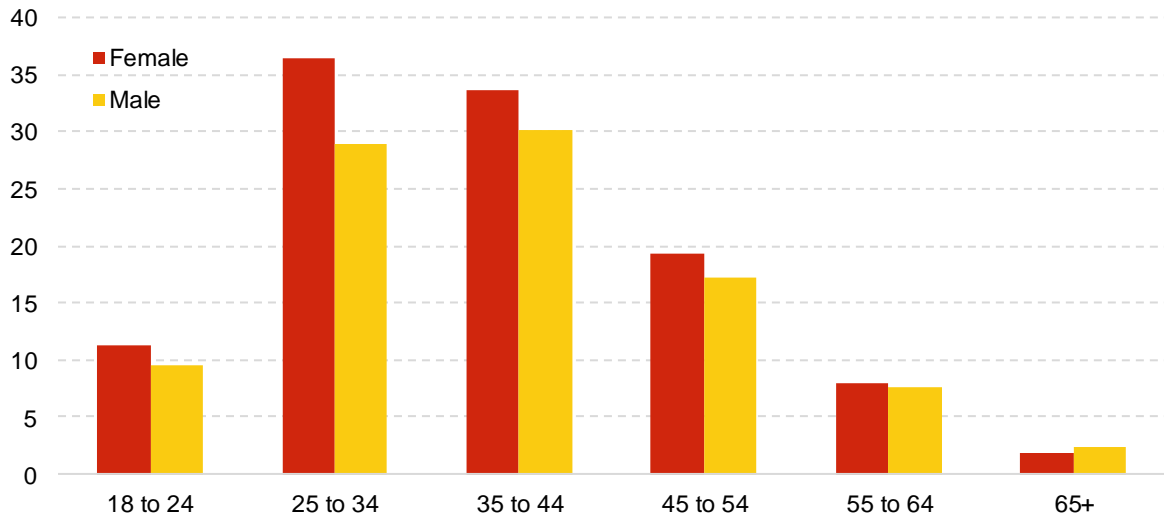
In 2019, the 25 to 34 age group had the largest IVA rate, at 32.6 per 10,000 adults, while the over 65 age group had the lowest rate at 2.1.

The IVA rate per 10,000 adults was higher for females than males in all age groups except in the oldest age group where the reverse was true.



Figure 28: Females under 65 had a larger individual voluntary arrangement rate than males but the reverse was true for those aged 65 and over

Rate per 10,000 adults, England and Wales, 2018



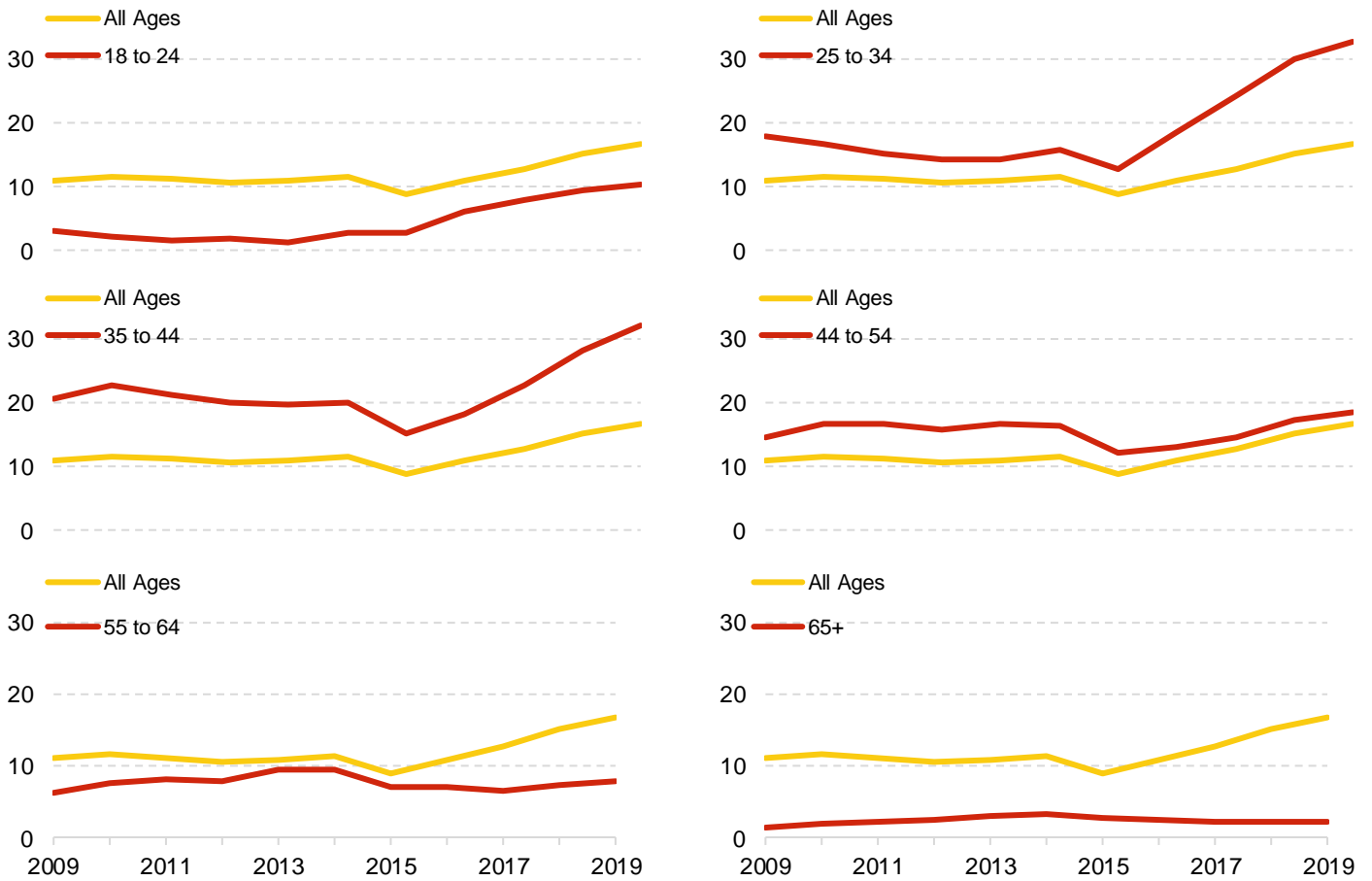
The IVA rate has consistently been highest in adults aged 25 to 44. In the years following the financial crisis the 35 to 44 years age group had the highest rate but this changed in 2016. In each year subsequently, the 25 to 34 years age group has had a slightly higher IVA rate. Those aged 65 and over have had the lowest IVA rate since 2016. The 18 to 24 years age group had followed a decreasing trend for a number of years and became the age group with the lowest IVA rate in 2011. However, this age group has seen increases in recent years.

All age groups under 65 had an increase in their IVA rates with those aged 35 to 44 having the largest rate increases. For those aged 65 over, their IVA rate was flat compared to 2018.



Figure 29: Increases in the individual voluntary arrangement rate have been driven by middle aged and younger adults

Rate per 10,000 adults, England and Wales, 2006 to 2019





7. Glossary

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.



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