



ISI Statistics
Quarter 2 2019



ISI
Tackling problem debt together

Insolvency Service of Ireland

Quarter 2 2019

Table of Contents

1	Foreword	4
2	Case Management – DRN, DSA, PIA	5
3	Outcome of Protective Certificates	6
4	Arrangement Debt – DRN, DSA, PIA	8
5	Applicant Profile – DRN, DSA, PIA (from 2013 Q4 to 2019 Q2)	9
6	Bankruptcy.....	10
7	Appendix 1.....	11
7.1	Table: Case Management	11
7.2	Table: Bankruptcy	11
7.3	Table: Regulation	12
7.4	Geochart: Debt Solutions from 2014 Q1 to 2019 Q2	13
7.5	Geochart: DRN, DSA, and PIA Arrangements from 2014 Q1 to 2019 Q2	14
7.6	Geochart: Bankruptcy Adjudications from 2014 Q1 to 2019 Q2	15

THE DEBT RELIEF NOTICE (DRN) PROVIDES FOR THE WRITE-OFF OF QUALIFYING DEBT UP TO €35,000 SUBJECT TO A 3-YEAR SUPERVISION PERIOD.

THE DEBT SETTLEMENT ARRANGEMENT (DSA) PROVIDES FOR THE AGREED SETTLEMENT OF UNSECURED DEBT WITH NO LIMITS INVOLVED OVER A PERIOD OF UP TO 5 YEARS.

THE PERSONAL INSOLVENCY ARRANGEMENT (PIA) PROVIDES FOR THE RESTRUCTURING OR SETTLEMENT OF SECURED DEBT UP TO €3M (UNLESS ALL SECURED CREDITORS CONSENT TO THE INCLUSION OF A HIGHER AMOUNT) AND THE SETTLEMENT OF UNSECURED DEBT OVER A PERIOD OF UP TO 6 YEARS.

IN THE CASE OF A DSA OR PIA, AFTER A PROTECTIVE CERTIFICATE ISSUES, PERSONAL INSOLVENCY PRACTITIONERS (PIPS) WILL HAVE 70 DAYS IN WHICH TO DEVELOP AN ARRANGEMENT.

1 Foreword

I am pleased to publish the statistical report of the Insolvency Service of Ireland (ISI) covering the second quarter of 2019 (Q2). Key statistics for Quarter 2 2019 are as follows:

- 526 Protective Certificates
- 360 Arrangements approved
- 56 Bankruptcies

This in comparison with Quarter 1 2019 shows:

- Arrangements approved up 4%
- Protective Certificates up 40%
- Bankruptcy Adjudications down 32%

During this quarter the ISI completed a targeted awareness campaign designed to increase awareness of insolvency solutions.

The level of bankruptcy adjudications continues to fall as the economy improves and the number of self-adjudications declines.

These statistics now show the value of original debt involved in insolvency arrangements actually approved by the Courts as opposed to debt at the time of application for a protective certificate.

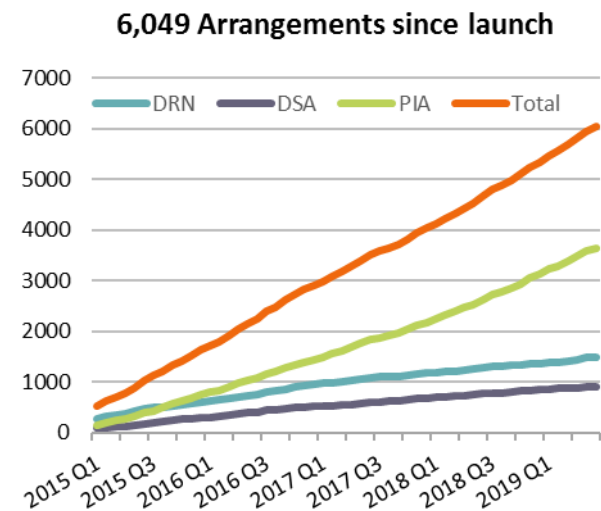
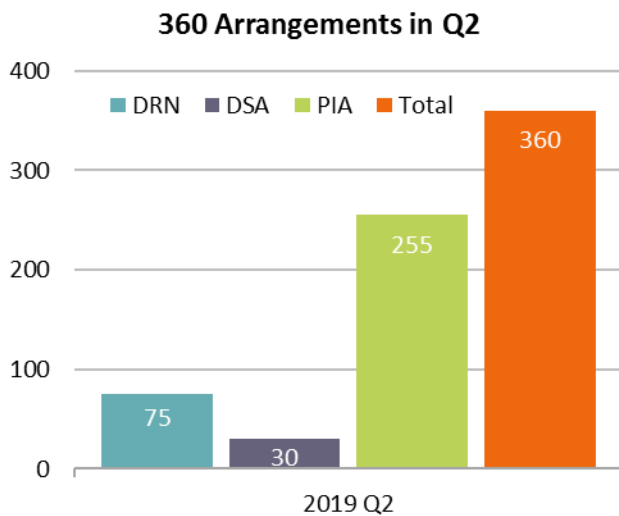
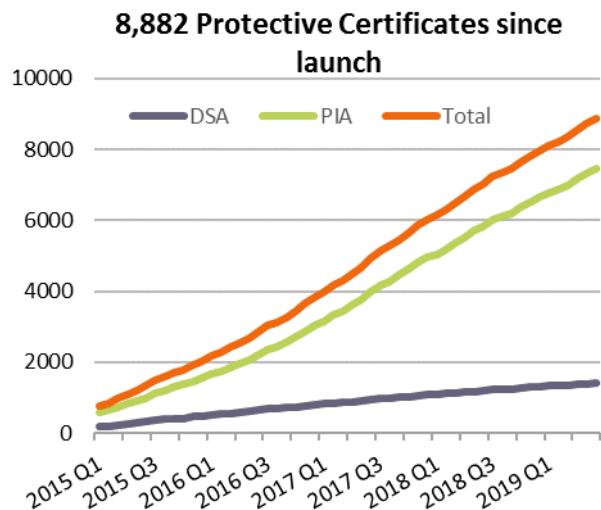
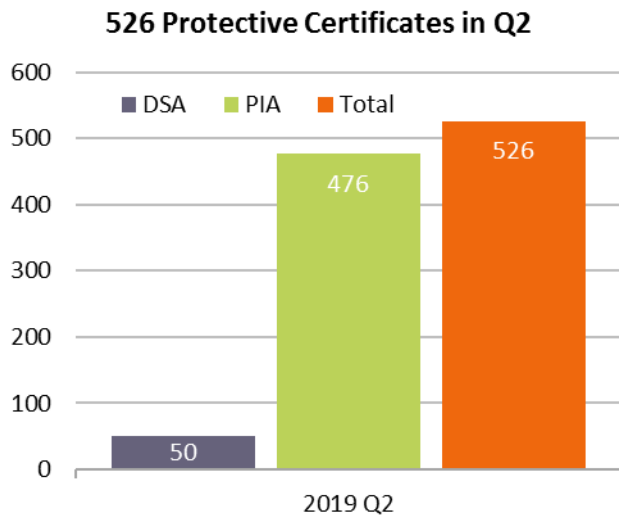
Michael McNaughton

Director

January 2020

These statistics are for information purposes only. No person should place reliance on the accuracy of the statistics, nor should they act solely based on them. The statistics are primarily based upon cases created by duly authorised Approved Intermediaries and Personal Insolvency Practitioners on the ISI Case Management System, the official registers of Approved Intermediaries and Personal Insolvency Practitioners and the statement of affairs submitted by those seeking to be declared bankrupt. Figures cover the period 01 April 2019 to 30 June 2019, unless otherwise stated.

2 Case Management – DRN, DSA, PIA



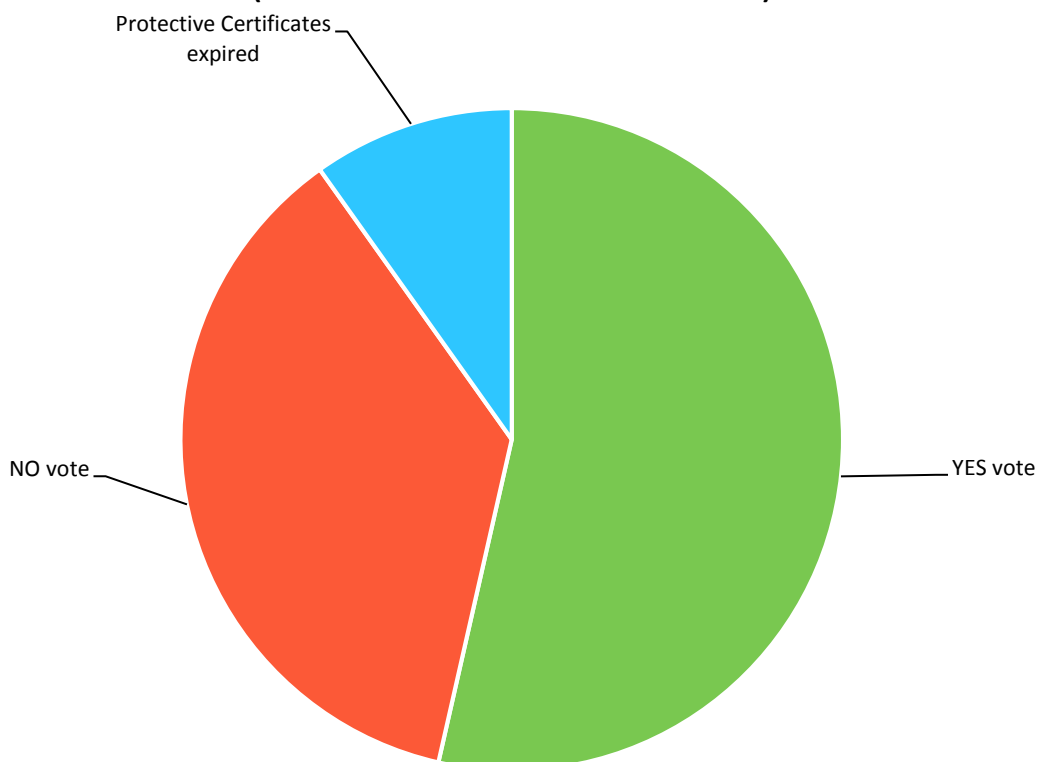
3 Outcome of Protective Certificates

The ISI has undertaken an analysis of Protective Certificates issued and their outcomes. The analysis has been broken down into three categories:

- **Yes Vote:** Personal Insolvency Practitioner (PIP) successfully uses the Protective Certificate period of 70 days to put an agreement in place between the debtor and his or her creditors, following a vote at the creditors' meeting.
- **No Vote:** PIP is unsuccessful in reaching an agreement, following a vote at the creditors' meeting, between the debtor and his or her creditors.
- **Protective Certificate Expired:** The Protective Certificate can expire, without a formal insolvency solution in place, if the PIP is of the view that a Debt Settlement Arrangement/Personal Insolvency Arrangement is no longer appropriate. For example, where further time is required to prepare the case, where the debtor's circumstances have changed, where the PIP is of the view that a No vote is inevitable or where an alternative solution has been put in place between the debtor and his or her creditors. Once a Protective Certificate expires, information relating to any further action taken by the debtor in relation to their financial situation is not readily available to the ISI as the Debt Settlement Arrangement/Personal Insolvency Arrangement procedure is deemed to have ended.

Where a proposal for a PIA is not approved at a creditors' meeting, the Court may be asked to review the case in certain circumstances, in accordance with Section 115A of the Personal Insolvency Act. Further details concerning the Section 115A Court Review process is contained in the [ISI's Annual Report for 2017](#). It is intended that further analysis will also be included in future Annual Reports.

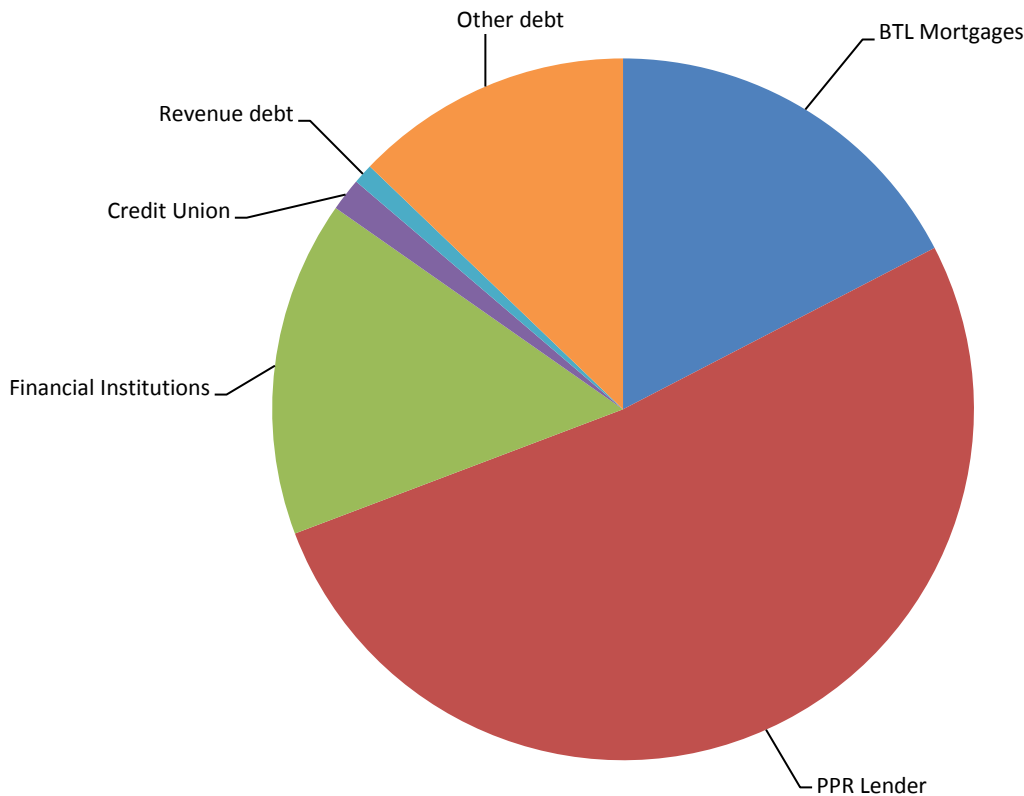
Outcome of Protective Certificates (from 2013 Q4 to 2019 Q2)



Outcome	DSA	PIA	Total
YES vote	70.3%	50.3%	53.6%
NO vote	19.8%	39.9%	36.6%
Protective Certificates expired	9.9%	9.8%	9.8%

4 Value of Debt in cases where Insolvency Arrangement made – DRN, DSA, PIA

€86 Million Arrangement Debt

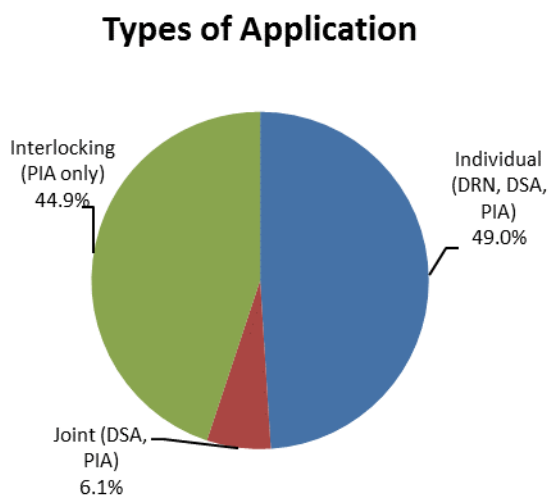
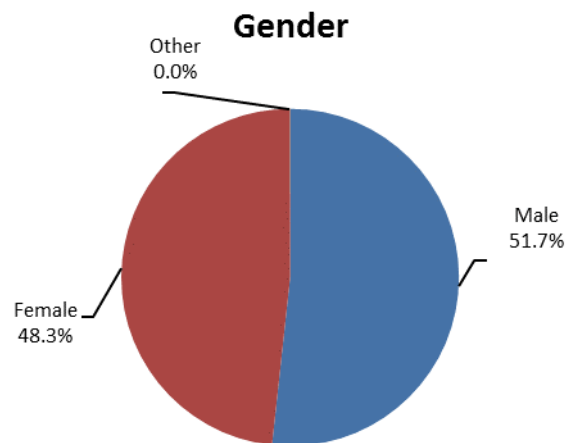
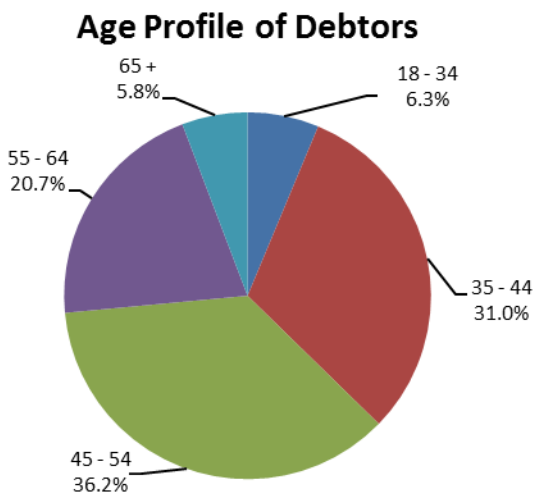
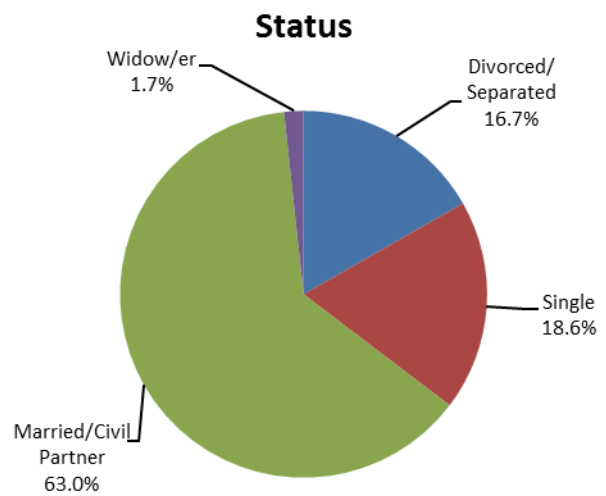
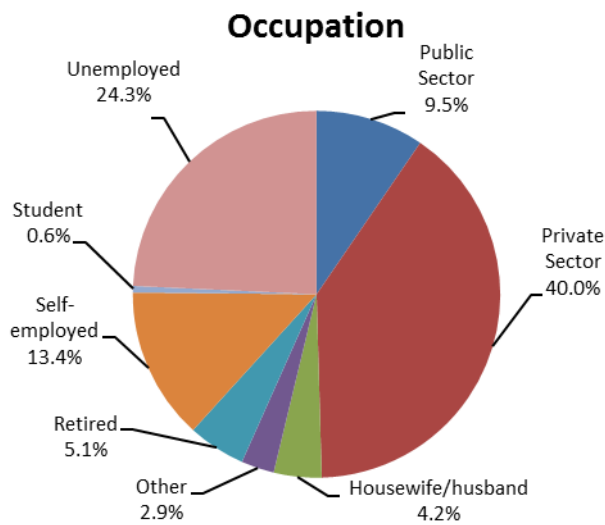


**Other debt includes trade creditors, connected creditors, contingent debt, hire purchase, personal guarantees, utilities, store cards/catalogues and professional fees.*

The total debt involved in the 360 approved arrangements in Q2 is approximately €86 million. You can find a breakdown of the type of debt in the chart above and the table below.

Type of debt	Value of debt (millions)	As a % of total
BTL Mortgages	€ 14.874	17.4%
PPR Lender	€ 44.338	51.8%
Financial Institutions	€ 13.241	15.5%
Credit Union	€ 1.298	1.5%
Revenue debt	€ 0.791	1.0%
Other debt	€ 10.974	12.8%
Total Q2 debt	€ 85.516	100.0%

5 Applicant Profile – DRN, DSA, PIA (from 2013 Q4 to 2019 Q2)



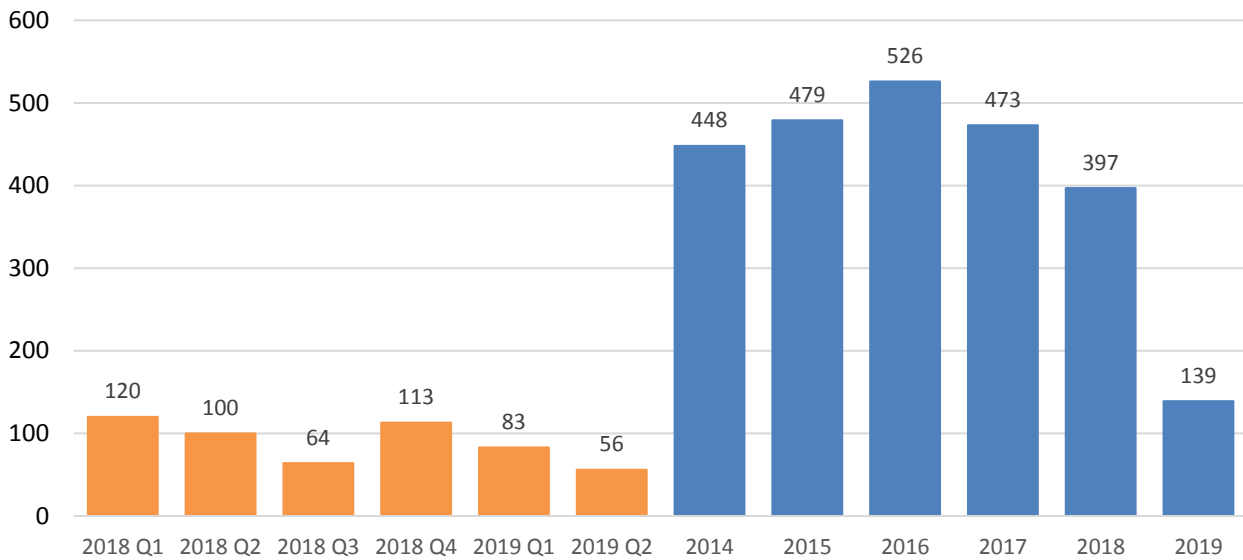
An individual application is an application by a sole debtor.

Where there are two (or more) debtors who are jointly liable for **all** of the debts to be included in a DSA or a PIA, a joint application is appropriate.

An interlocking application would be appropriate where two (or more) PIAs are to be administered in common - usually because of the financial relationship of the debtors involved. Examples would be a couple or business partners, where they are jointly liable for some - but not all - of the debts to be included in the PIA.

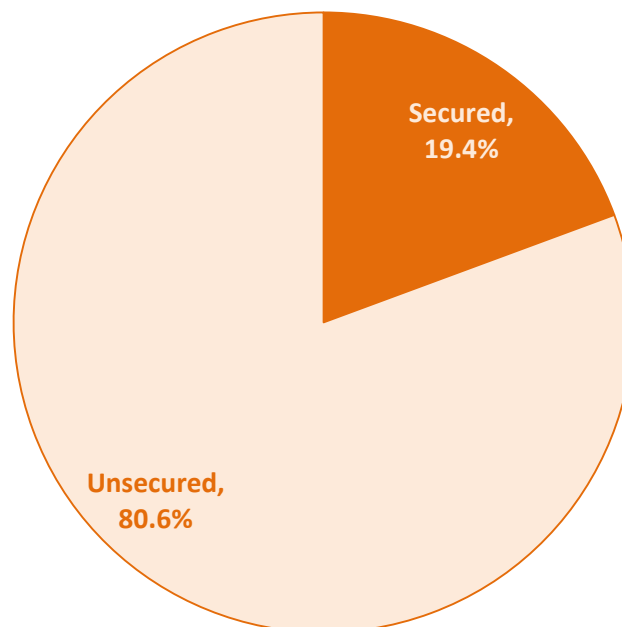
6 Bankruptcy

Bankruptcy Adjudications



The one-year bankruptcy term was introduced on the 29th January 2016.

€190 Million Bankruptcy Debt in Q2



The total debt involved in bankruptcy adjudications for Q2 is approximately €190 million. This comprises 19.4% secured debt and 80.6% unsecured debt. In the case of secured debt, it is likely that current market values of securities are significantly below debt levels.

7 Appendix 1

7.1 Table: Case Management

Case Management Quarterly Statistics							
Period	Protective Certificates			Arrangements Approved			
	Total	DSA	PIA	Total	DRN	DSA	PIA
2019 Q2	526	50	476	360	75	30	255
2019 Q1	376	45	331	347	50	40	257
2018 Q4	530	68	462	365	36	45	284
2018 Q3	418	55	363	305	59	28	218
2018 Q2	548	62	486	344	59	47	238
2018 Q1	462	53	409	298	35	44	219
2019	902	95	807	707	125	70	512
2018	1,958	238	1,720	1,312	189	164	959
2017	2,198	278	1,920	1,115	222	160	733
2016	1,786	314	1,472	1,289	357	235	697
2015	1,363	326	1,037	1,170	347	204	619
2014	664	153	511	455	251	78	126
2013	11	5	6	1	0	1	0
Total	8,882	1,409	7,473	6,049	1,491	912	3,646
Percentage change, 2019 Q2 compared with:							
2019 Q1	40%	11%	44%	4%	50%	-25%	-1%
2018 Q2	-4%	-19%	-2%	5%	27%	-36%	7%

7.2 Table: Bankruptcy

Period	Bankruptcy Adjudications
2019 Q2	56
2019 Q1	83
2018 Q4	113
2018 Q3	64
2018 Q2	100
2018 Q1	120
2019	139
2018	397
2017	473
2016	526
2015	479
2014	448
Percentage change, 2019 Q2 compared with:	
2019 Q1	-32.5%
2018 Q2	-44.0%

7.3 Table: Regulation

Personal Insolvency Practitioners (PIP)	108
Approved Intermediaries (AI)*	13
Responsible Person (RP)	142
Total regulated persons available to help debtors	250

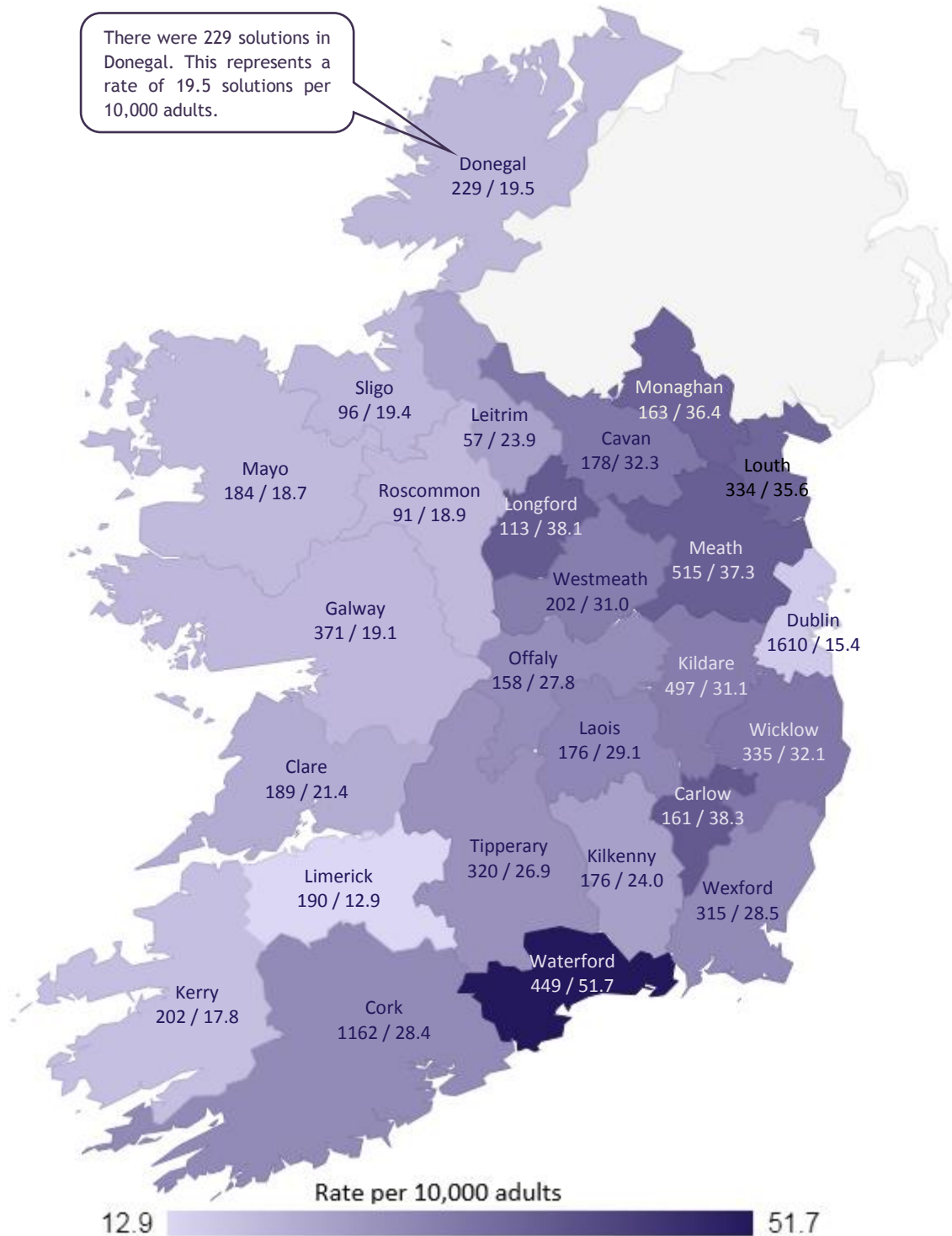
The 13 Approved Intermediary entities are composed of the following:

- 9 MABS companies
- Irish Mortgage Holders Organisation (IMHO)
- AMI Financial Solutions
- Insolvency Resolution Service
- David Keogh

There are 142 Responsible Persons linked to these 13 authorisations.

7.4 Geochart: Debt Solutions from 2014 Q1 to 2019 Q2

The geochart below shows the number of DRNs, DSAs, PIAs and bankruptcies approved from 2014 Q1 to 2019 Q2, together with the rate per 10,000 adults^{1 2}.



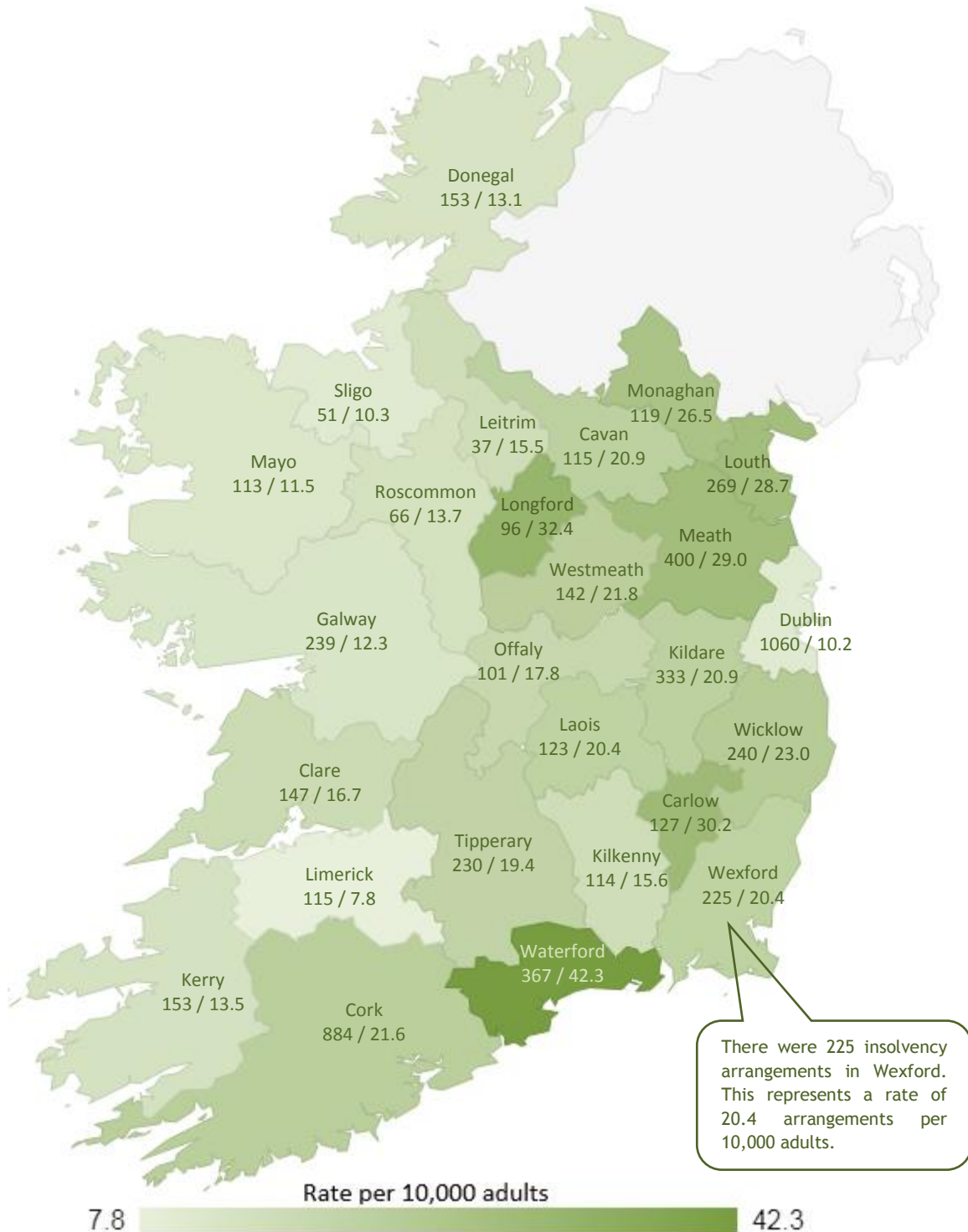
¹ Population data taken from the CSO's *Population 2011 to 2016 by Single Year of Age, Sex, County and City and CensusYear*. Available on the CSO's website at

<http://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/Define.asp?maintable=E3003&PLanguage=0>.

² There have also been 25 insolvencies and 8 bankruptcies where the debtors have been residing outside of the State.

7.5 Geochart: DRN, DSA, and PIA Arrangements from 2014 Q1 to 2019 Q2

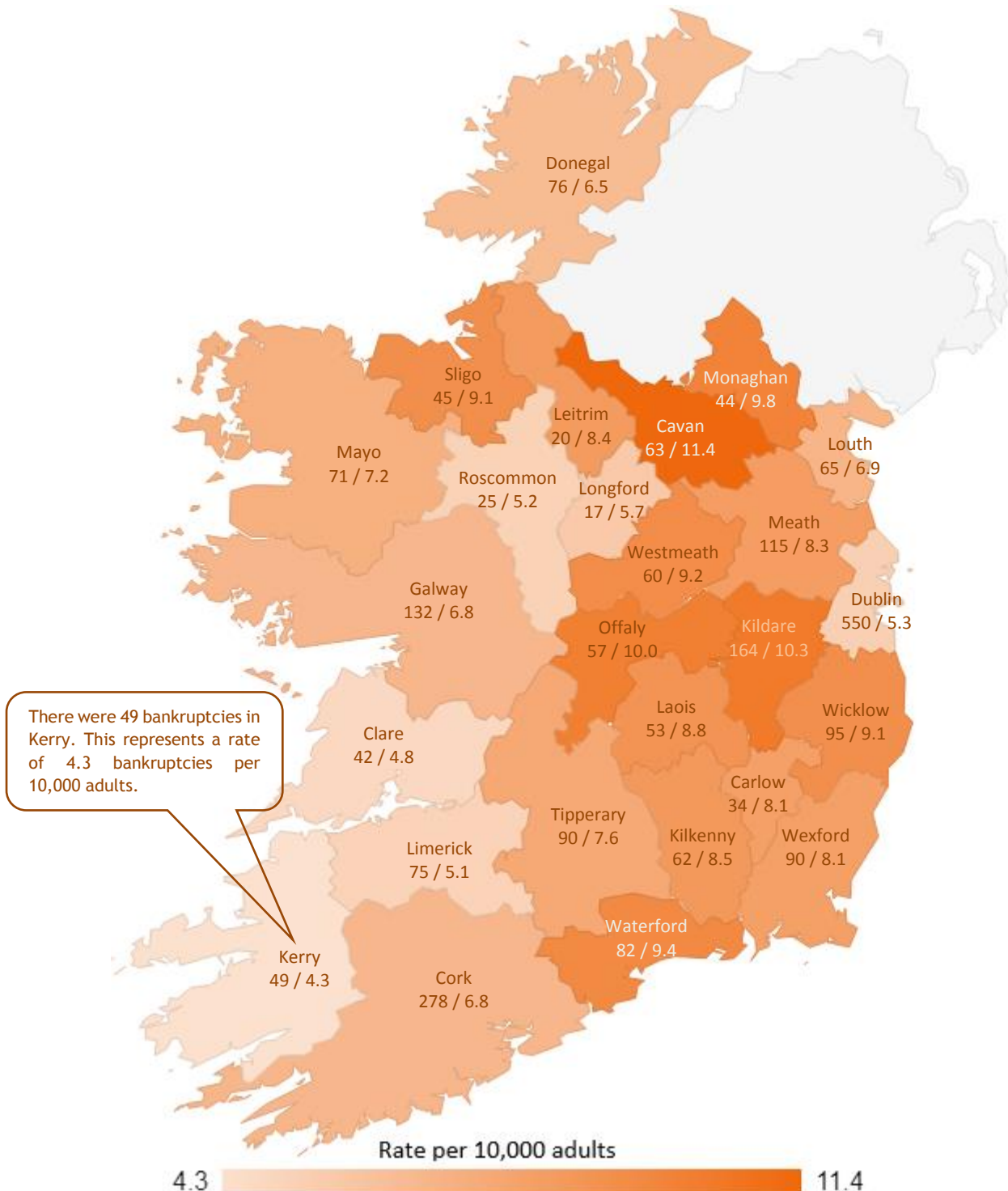
The geochart below shows the number of DRN, DSA and PIA arrangements approved by Court from 2014 Q1 to 2019 Q2, together with the rate per 10,000 adults³.



³ There have also been 25 insolvencies where the debtors have been residing outside of the State.

7.6 Geochart: Bankruptcy Adjudications from 2014 Q1 to 2019 Q2

The geochart below shows the number of bankruptcy adjudications from 2014 Q1 to 2019 Q2, together with the rate per 10,000 adults⁴.



There were 49 bankruptcies in Kerry. This represents a rate of 4.3 bankruptcies per 10,000 adults.

⁴ There have also been 8 bankruptcies where the debtors have been residing outside of the State at the time of adjudication.