

**Money Advice Liaison Group: July 2019: Update from the Insolvency Service**

**Operational Services Update**

Individual Insolvency Statistics:

* Total individual insolvencies fell in Q1 2019 from an 8 year high in Q4 2018.
* This fall was largely driven by a decrease in the number of individual voluntary

arrangements, though both debt relief orders and bankruptcies fell slightly from Q4

2018.

* Total individual insolvencies in Q1 2019 were the second-highest since Q3 2010.

Statistics for Q2 2019 will be published on 30 July 2019.

Individual Insolvency Enforcement Outcomes

* 67 bankruptcy or debt relief order restrictions have been secured in the year to date (April and May 2019).

Redundancy Payments

* In 2017/18, 63,117 redundancy payments requests were received, with over 96% actioned within 6 weeks.

**Communications update**

The Insolvency Service Newsletter

* Our winter newsletter was published in March – you can [read the newsletter online](https://content.govdelivery.com/accounts/UKIS/bulletins/237fcab). If you would like to subscribe to future issues of the newsletter please [register online](https://public.govdelivery.com/accounts/UKIS/subscriber/new).
* Our summer newsletter will be published shortly.

Insolvency Live! 2019

* Our annual stakeholder forum for debt advisers and insolvency practitioners will be held in London on 12 July.
* We are finalising the agenda for the event.
* As in previous years it will contain a mix of plenary sessions and workshops on specific policies and services.
* We are now at capacity attendance. However, you can follow the event on Twitter #InsolvencyLive.
* If you have a question for our senior leadership team that you would like to see answered at the event please email it to us at: stakeholder@insolvency.gov.uk

**Policy Update**

Breathing Space

* On 19 June 2019 government announced its plans to deliver on its manifesto commitment to introduce a breathing space scheme for people in problem debt. Details of the scheme and the role for the Insolvency Service were set out in the government’s response document, which can be found at: <https://www.gov.uk/government/consultations/breathing-space-scheme-consultation-on-a-policy-proposal>.
* Government wants to deliver this scheme as quickly as possible, given the benefits it can bring to vulnerable people, with plans to lay the necessary regulations for the breathing space scheme before the end of the year and implement in early 2021. The statutory debt repayment plan will continue to be developed to a longer timetable.
* Together, the breathing space period and SDRP will protect individuals from creditor action, help them get professional advice on their debt problems, and help them pay off their debts in a sustainable way.

Assessment of current regulatory regime

* The Small Business, Enterprise and Employment Act 2015 contain measures to strengthen the existing regulatory regime for insolvency practitioners by establishing a number of statutory objectives for the Recognised Professional Bodies, which authorise practitioners.
* In addition, a sunset power was taken to enable the Secretary of State to introduce a single regulator. The power expires in October 2022.
* We will be issuing a call for evidence shortly in order to seek views from stakeholders on the current regulatory regime.

**Insolvency Practitioner Regulatory Update**

* The 2018 review of IP regulation was published on 28 May 2019 and can be found <https://www.gov.uk/government/publications/insolvency-practitioner-regulation-process-review-2018>
* Current sanctions against insolvency practitioners as a result of professional misconduct may be viewed at: <https://www.gov.uk/government/collections/current-insolvency-practitioner-sanctions>