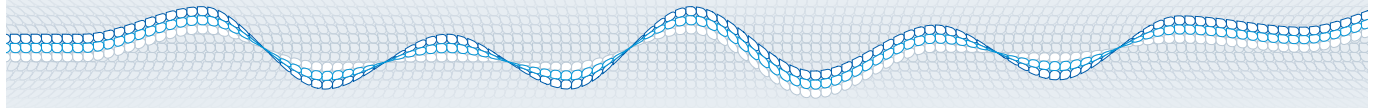


# Insolvency Market Trends

The latest insolvency market trends, data and insight brought to you by TDX Group

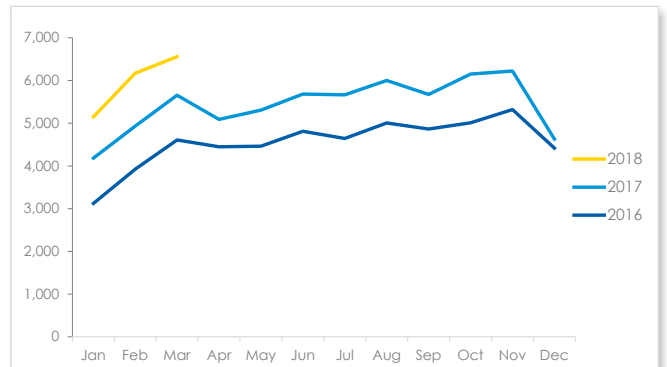


## Quarterly round up

In quarter one, the volume of IVAs and Trust deeds continued to grow, with March seeing record volumes of c6,500, a growth of 20% on the same period in 2017. We expect annual growth of around 17% driven by the following factors:

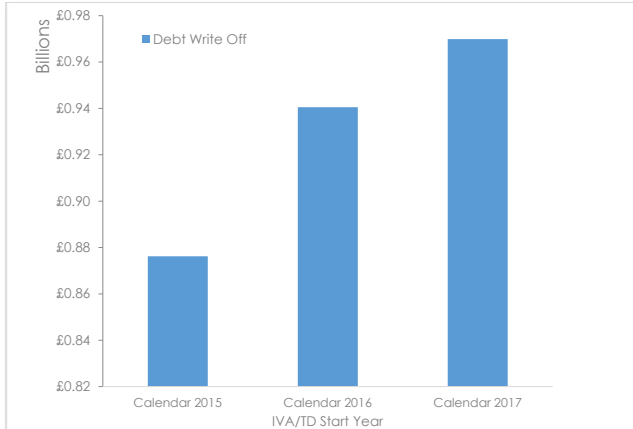
- Even with consumer borrowing growth reducing significantly recently, increased borrowing in recent years will have a roll through effect on insolvencies.
- With capacity in the Debt Management sector continuing to fall (Harrington Brooks, a large provider, recently entered administration) people seeking help with their debts are more likely to find an insolvency solution.
- Ongoing marketing by firms providing insolvency solutions.

IVA and Trust Deed new volumes (TIX) (fig. 1)



In providing debt write off as part of the insolvency, creditors wrote off almost £1bn of debts for their customers who started an IVA or Trust Deed in 2017, a trend directly driven by the increased number of new IVAs and Trust Deeds over the last two years.

Debt write off (fig. 2)



As responsible lenders, creditors want to support their customers to manage their credit commitments effectively. The vast majority of people are able to manage their financial commitment but for some, borrowing can become problem debt. This is usually a result of family breakdown, illness or job change. In the 12 months before insolvency we have seen many examples of people using more credit, falling behind on repayments and struggling to pay essential bills like rent or council tax.

- If you are struggling to make your credit payments or are running out of money before your payday, speak to your lender or a free debt advice provider like Citizens Advice or StepChange the debt charity.
- For creditors we recommend that data is used to identify customers at risk of financial difficulties. Help can then be focused on these people.



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