

# White paper summary

## Modelling personal bankruptcy in the UK



### The issues of modelling personal bankruptcy in the UK

High levels of consumer indebtedness and the new provisions around personal bankruptcy contained in the Enterprise Act of 2002 have resulted in significant increases in the number of individual bankrupts in the UK.

The issue has become a high profile topic in the press and is seen as a growing problem for the UK economy.

Prompted by this increase and the growing concerns of UK lenders about the bad debt caused by bankruptcy, Experian has carried out extensive research into the issue.

The research focused on the differences between bankrupts and other delinquent customers and considered how credit bureau data could be utilised to better identify customers who will become bankrupt in the future.

This paper outlines the impact of this increase in individual insolvencies, the research undertaken by Experian and the solutions derived from the research, which are now being adopted by UK lenders to identify and reduce losses from personal bankruptcies.

#### Want to read more?

This executive summary is taken from the Decision Analytics white paper **Modelling personal bankruptcy in the UK**.

Access a copy of this, and other Decision Analytics white papers, at: [www.experian-da.com](http://www.experian-da.com)

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