



credit solutions

Specialist debt recovery division
of Judge & Priestley Solicitors



Deceased Debtor Recoveries

www.jpcreditsolutions.co.uk

Since 1889

J&P Credit Solutions has successfully worked for many years with several major London Boroughs in the sensitive area of recovering outstanding debts from deceased customer accounts.

Deceased Debtor Recoveries

Debt recovery in the current climate is increasingly challenging for Local Authorities with increasing pressure on them to recover more debt, whilst utilising fewer resources.

In addition to the unique challenges that the individual debt types pose, one universally difficult issue is recovering debt back from a customer who has passed away.

In addition to the usual debt recovery obstacles, pursuing debts from a client's estate creates new hurdles such as:

- How much time do you provide to a client's family before seeking recovery of a debt?
- What do you do if the family refuses to engage with you?
- What steps can you take if there is no known next of kin for you to contact?
- How do you respond if the family suggests that there is no money left to pay the debt owed, but you have evidence to suggest the client should have left considerable assets?
- At what point should you write off these debts and focus your collection resources on other cases?



We can help you to understand and action the most appropriate approaches to these and other issues unique to this complex area of debt recovery.

Over the years we have spent time working in house with a number of our Local Authority clients and have seen at first hand and successfully dealt with the difficult scenarios that arise when handling these often complex and always sensitive cases. It is all too easy to ignore deceased customer cases and focus resources elsewhere however there are a number of reasons why this approach creates a significant risk to successful recovery. These include:

- **Limitation Period**

Notwithstanding the death of the customer, the limitation period continues to run and cases not dealt with within the relevant period are at risk of being statute barred, making your debt potentially irrecoverable.

- **Disappearing Assets**

If cases are not dealt with quickly there is a growing risk that third parties will obtain access to and dissipate the assets of the customer, which could have otherwise been used to settle your debts.

- **Creating a Precedent**

Communicating the right message to your community is vitally important. This applies equally to the message you send about debt recovery. If as an Authority you do not routinely and effectively chase and recover debts after a person has passed away, the community at large will perceive this as your policy and in turn even less people will pay. Ensuring you have a robust collections process for all types of debt is one of the best ways to prevent debts accruing at all.

How can we help?

Our activity in this area has given our Local Authority team unrivalled experience and practical understanding of the complexities and unique requirements of representing local authority clients in this potentially difficult and sensitive area.

We have developed a unique Deceased Debtor Recoveries product to provide you with a cost effective and compliant solution to this age old problem.

We appreciate that all Local Authorities are different and as such our product is bespoke and will be tailored to your specific needs. We can flexibly deliver the right solution for your circumstances whether that be a complete managed solution or ad hoc assistance with certain elements of the process.

Key features of the service include:

- **Optional 360 degree review of deceased debtor accounts**
We can provide a risk scoring analysis of your cases, giving clear direction as to which cases should be flagged for immediate action.
- **Referral Taskforce**
Additionally we can provide extra resource to help you analyse and refer appropriate cases over to us.
- **Investigation team**
Our experienced team are expert in locating and identifying the assets of the deceased debtor.



- **Case Management**

Our team will regularly review and report on progress in all cases and provide access to a fully transparent and complete record of all activity undertaken on your behalf via our online case management information system.

- **Bulk volumes**

We have sufficient scale to be able to handle bulk volume cases with no impact on the level of service delivered. Alternatively we can work on ad hoc matters providing tailored one off advice as required.

In addition to these features the Deceased Debtor Recoveries product also offers the following benefits:

- **Cost neutral pricing**

We have a reputation for delivering innovative cost neutral pricing solutions wherever possible for our local authority clients.

Our shared risk pricing structure on these cases means we are as committed as you are to ensuring a successful outcome is achieved.

Our objective is to deliver a cost neutral solution to our clients and where possible we seek to recover the costs you incur back from the deceased debtors estate.

- **Empathetic approach**

Our goal is to recover monies rightly due to you our client, but we also understand the need to pursue all cases on your behalf with sensitivity to the surviving family and recognition of the potentially vulnerable nature of those involved.

- **Reputational risk management**

We are committed to managing the reputational risk to your organisation at all times in this process.

Our Successes

In 2016 alone we handled over 240 deceased account cases and we expect that number to increase significantly in 2017.

In 2016 the Deceased Debtor Recoveries team recovered over £920K for local authority clients.

Without utilising our service many of our clients would have simply written off those debts or they would be still appearing in their bad debt ledgers.

The collection rate on the cases we concluded in 2016 was 66%.

The cases we worked on included a significant number of instances where we advised clients, after a thorough investigation, not to proceed with further action. For many of our clients there is as much value in the advice we provide not to proceed, as there is in the debts we recover. Narrowing down cases with good prospects allows our clients to properly focus their limited resources where it will achieve the best results.

For the cases on which we did recommend further action, we collected 98.6% of the instructed debt. The average value we collected on the cases we recommended further action on was £16,360 per case.

The numbers above are probably the most compelling reason why acting now in respect of your deceased debtor accounts is imperative.

If you are regularly writing off deceased debtor accounts, we believe it would be in the financial interest of your authority to discuss the J&P Credit Solutions Deceased Debtor Recoveries product in more detail.



About Us

The Local Authority team, headed by Rachel Addai, collect a wide variety of debt types on behalf of many major authorities in London and the Midlands. They have an excellent reputation for the quality of advice given, services delivered and importantly for the successful recovery of amounts owed at the lowest possible cost to the authority.

Rachel's recommendations by her clients have led to her being listed in the Legal 500 as one of the leading specialist debt collection solicitors in the South East. Please feel free to contact Rachel directly on 020 8290 7356 to discuss the Deceased Debtor Recoveries product or any other Local Authority debt recovery issues. Alternatively email Rachel at raddai@judge-priestley.co.uk

J&P Credit Solutions are the specialist debt recovery division of Judge & Priestley LLP solicitors. We have been providing solutions to our clients' debt recovery issues since 1889.

We always endeavour to enhance the strong reputation we have built over the years for the quality of our service, our innovative cost neutral fee structures and the successful outcomes we deliver to our clients. The business is regulated by the **Solicitors Regulatory Authority** and has additional independently audited accreditations for our practice management procedures - **Lexcel** and information security management - **ISO 27001**.

J&P Credit Solutions

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We're here to help

If you would like to talk to **Rachel Addai** about Deceased Debtor Recoveries feel free to call her directly on **020 8290 7356** or email **raddai@judge-priestley.co.uk**, she'll be happy to help.

Or if you have a general enquiry you can call us on **020 8290 0333**.

Specialist Debt Recovery Solicitors

