

Business Case Study

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BACKGROUND TO IP FIRM

This particular IP firm is owned by a private individual. There is one IP in the practice, two Insolvency Managers and a further fourteen staff. They operate out of one head office location. Their primary business is Corporate insolvencies.

RCUK'S IMPACT

RCUK started working with this IP practice in 2018. They are now ranked in the top ten IP firms in the UK for CVL volume. They currently turnover £1.1m.

This growth was mainly facilitated through telemarketing campaigns focused on companies with CCJs. The directors were advised of their potential right to make a redundancy claim subject to eligibility criteria and that funds received could be used to pay the liquidation fees. On receipt of the enquiry from the director for insolvency services, consent is always obtained by the IP to introduce the client to RCUK or a recommendation is made to contact RCUK directly. All referrals and recommendations are compliant with the regulatory framework and RCUK provide an initial free telephone consultation to the director. RCUK are then able to confirm the claim value and give the director the confidence that a successful claim can be achieved and the director can enter an insolvency process knowing the insolvency fees can be paid for.

THE FACTS AND FIGURES

134

SINCE 2018 RCUK HAVE BEEN REFERRED 134 CASES. 120 HAVE CLOSED SUCCESSFULLY.

14

THERE ARE CURRENTLY 14 LIVE REDUNDANCY APPLICATIONS ON THE RCUK CASE MANAGEMENT SYSTEM WAITING TO BE PAID OUT.

£227,293

RCUK HAVE PAID OVER £227,293 IN SOA FEES TO DATE AND A FURTHER £7,555 OF FEES WILL BE PAID OVER AS CASES ARE PAID OUT.†

£234,848

THE TOTAL OF FEES PAID OUT TO DATE AND FEES DUE TO BE PAID OUT IS £234,848.

10-20%

FACILITATING THE SOA FEE PAYMENT IS ONLY PART OF THE STORY. THE IP FIRM HAVE ESTIMATED THAT THERE IS C.£35,250 OF REALISED AND REALISABLE WIP. ALTHOUGH THE WIP TOTALS ARE MUCH HIGHER A 10 - 20% REALISATION RATE IS TYPICALLY MORE REALISTIC WHEN DEALING WITH VOLUME CVLS.

†The outstanding fees due are in fact higher but at the point in time these figures were compiled not all outstanding SOA fees had been communicated to RCUK by the IP firm. This is mainly due to brand new cases on the RCUK case management system which need updating

IP PORTAL

In order to provide the IP firms with an up to date view on all their cases RCUK has developed a fully secure IP Portal. The IP Portal is an internet-based platform which shares real time data on the IP's cases showing the exact status of the case and what information may be outstanding from the director or the IP. The IP can upload documents or update information directly to the Case Manager at RCUK.

This real time system has replaced weekly reports and allows the IP to proactively help move forward case progression to realise successful awards from the RPS as quickly as possible. The portal contains both active and closed case details and has a simple dashboard which shows the total cases referred, how many cases are active, total fees expected and total fees paid to date.

The information can be printed or exported for analysis by the IP.

REGULATORY BODY

The regulatory body for the IP in this firm is the IPA. Last year the firm went through its standard regulatory audit. The IPA raised no issues with the manner in which the IP supported the director's redundancy claims in regards to the support of claims at NMW and arrears of pay roll back/selection of the best eight weeks for arrears of pay claims. The IPA found no issues with the firm's systems and processes concerning company books and records and submission of RP14/14A forms.

CLIENT PORTAL

In addition to the IP Portal RCUK are currently investing in a mobile Client Portal for the director to use to upload documents and see real time the status and progression of their case. It will also show them what the expected estimated values are for their claim and what the actual values awarded are when paid out. It will also confirm any SOA fees due to the IP and when these have been paid. The development of this new Client Portal will be tested and rolled out initially for clients of this IP case study.

Interested in working more closely with RCUK?

Finding the right marketing strategy to generate insolvency enquiries particularly online is very difficult in a competitive market place such as insolvency. Differentiating your business from others when it is perceived by directors that you provide the same service is equally difficult. However, there is no doubt that director redundancy, potentially the only 'good news' for a director going into CVL, is a great hook to get a director to enquire with your firm.

To do this properly it has to be done without breaching your own regulation or unwittingly complicated FCA regulation. This is where RCUK can help. RCUK have the experience and knowledge to assist you to grow exponentially by embracing director redundancy into your marketing strategy.

If you would like to know more about how RCUK work and could help grow your business please feel free to contact **Gary Addison** on **01625 462587** or email on gary@redundancy-claims.co.uk

