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A market which is growing and presenting new opportunities

The market for debt-related legal services in the UK is growing and saw major growth in key areas in 2016, especially general recovery and insolvencies. The market is expected to see relatively strong future growth, based on rising consumer debt levels which will impact directly on consumer debt recoveries and indirectly (via consumer spending) on B2B debt recoveries. The future is likely to see opportunities for law firms which can tie up with major debt purchasing companies and which can offer one-stop-shop collection-to-recovery services. Investment in new technologies, such as predictive analytics, is likely to be a growing feature of the market as law firms aim to target their actions on those debtors most likely to pay, thereby reducing costs and improving their cost effectiveness.

The volume of debt recovery work, with the exceptions of mortgage and landlord repossessions, has increased in 2016 compared with 2015. General debt recovery work has been on an upward path since mid-2016, while insolvency work was generally declining until 2016. Repossessions continued to fall in 2016 as they have in recent years but mortgage arrears are starting to grow.

The Debt-related Legal Services 2017 report provides an overview of the legal services related to debt recovery and debt collection.

The report (86pp, PDF), is available directly from IRN Research, priced at £180. UK sterling price is plus VAT so total price is £216.

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