

Funding scheme targets £1m lend a month

A funding scheme for law firms set up last year by Just Costs Solicitors is aiming to lend more than £1m every month by the summer.

The costs advance scheme has lent more than £2m since it was launched at the end of last year and is set to provide more than £1m a month in the coming months.

The scheme allows law firms to draw down up to 70 per cent of their likely recoverable costs once they have settled personal injury, clinical negligence and industrial disease cases.

Novitas Loans provides the funding.

Mark Hartigan, client services director at Just Costs, said: "This scheme has been extremely well received by law firms throughout the country.

"One of the reasons firms are finding themselves under pressure is that they are fundamentally profitable but are not turning unbilled WIP and debtors into cash quickly enough."