

Recovering Unpaid Debts: A Simple Guide

For small businesses, dealing with unpaid fees is a common challenge. It can slow down business growth or, in extreme cases, lead to serious cash flow problems.

To minimize the impact of late payments, it's crucial to identify issues early and take appropriate actions before they become bad debts.

The Debt Recovery Process



1. Early Identification of Issues

Watch for signs like repeated late payments, unresponsive customers, unfulfilled promises, and unwarranted service complaints.

Make sure to carry out a background check on your customer. You may ask them to fill in a KYC (Know Your Customer) form.



2. Take Initial Actions

Attempt to make initial contact (like sending them emails, calling them by phone or sending SMS) with the debtor to inform them of their outstanding debt and ask for their payment.



3. Negotiate

Consider setting up a repayment schedule or extending payment periods for customers facing difficulties.



4. Hire The Credit Collections Company

If the debtor continues to ignore the debt, forward this debt to The Credit Collections Company. We try to keep your costs down as we want to save you money.

We operate on a no-win, no-pay basis, so you only pay us a commission if we successfully recover the debt.



5. Legal Action as a Last Resort

If all debt recovery efforts have been exhausted, we will discuss the legal options available to you. As we want to save you money, we will advise if the debt is worth the legal proceedings and fees. We offer some of the lowest Legal costs for debts below £10,000.00.

Remember, legal action should be a last resort, and attempts to resolve the matter through negotiation or alternative dispute resolution are recommended. Additionally, consider the debtor's ability to pay before pursuing court action.

