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Woodville Forced Into Administration As Finance Claims Frozen

By **Marialuisa Taddia**

Law360, London (July 21, 2026, 7:43 PM BST) -- Litigation funder Woodville Consultants Ltd. has been forced into administration amid a freeze in the motor finance complaints it had been backing, Crowell & Moring LLP said Tuesday.

A group of investors represented by the firm's London restructuring and insolvency team secured a contested administration order on Thursday in the High Court, where a judge appointed Kroll Advisory's Robert Goodhew and Andrew Stoneman as joint administrators of Woodville.

Woodville, whose registered office is in Pontypridd, Wales, funded law firms pursuing consumer claims over what they said were undisclosed commissions on motor finance loans.

Crowell represented a group of investors who had invested in Woodville loan notes that later defaulted. The investors argued that the Financial Conduct Authority's pause to the motor finance complaints process prevented the underlying law firms from progressing claims and recovering funds that would have been used to repay Woodville. The case also involves allegations of fraud against Woodville's directors and others involved in the sale of the loan notes.

Paul Muscutt, partner at Crowell & Moring, told Law360 on Tuesday that litigation funds set up to fund consumer claims carry significant risk, especially in cases like Woodville's, where investors into the fund are promised fixed quarterly returns.

"It is highly questionable how such models are workable when the time scales to realize consumer claims are uncertain in time and quantum and many claims depend on a number of factors, including court timetables and backlogs, consumer eligibility and disputes as to financial loss on the part of the consumer," he said in a statement.

He said the motor finance consumer claims heavily funded by Woodville were effectively put on hold after the FCA first proposed a fixed redress plan with capped compensation payments and then suspended the plan pending ongoing legal challenges. As a result, the claims are unlikely to progress until those proceedings are resolved, which is not expected until late 2027.

"Consequently, Woodville was unable to secure repayments of the loans made to law firms or to make the fixed payments to investors due under their loan notes, hence its insolvency," he said.

Crowell's London restructuring and insolvency team has been instructed by Kroll Advisory to assist with the insolvency, including advising on claims, liaising with the FCA and supporting the recovery of funds from U.K. law firms.

The matter is expected to run for three to six years while the FCA develops and implements its motor finance redress scheme.

Since 2019, the company has successfully funded more than 300,000 legal claims, helping thousands of consumers get access to justice, according to its website. It also says it has more than 4,500 investors globally.

The company's accounts, filed with Companies House in November for the period to Dec. 26, 2024, showed that debtors owe approximately £249 million to the company. The accounts also showed that Woodville owed more than £236 million in bonds, bank and "other loans" consisting of loan notes owed to investors.

They also showed that revenue increased by 42.2% to £56 million compared with £39.4 million a year earlier.

"As the group is owed a significant amount in loans receivable from law firms, the directors have considered and taken steps to mitigate the risk of defaulting on loans," Woodville CEO Ann Marie Bell said on behalf of the board in November. "There are after-the-event insurance premiums in place should any of the law firms be unable to repay the loans and cover repayment of those loans."

She said the directors had considered the liquidity of Woodville Consultants Ltd. Group " to ensure that the group is able to make interest and capital repayments at the appropriate times, and as the Woodville Consultants Ltd. Group is solvent, they are satisfied that it will continue to be in a position to do so."

Early investigations indicate that Woodville raised closer to £330 million from investors than previously understood, according to Muscutt. He said the amount ultimately advanced to law firms to finance litigation and the amount spent on commissions and other purposes is currently under review.

The petition is not the only one filed against Woodville in recent months. Two individuals — Dmitriy Pingasov of Punter Southall Law Ltd. and Jérémie Abraham Silberschmidt of Escalate Law Ltd. trading as Escalate Disputes — also filed applications.

Crowell & Moring acted for a group of investors in Woodville's loan notes and has now been instructed by Kroll to support the administration. The team was led by Muscutt and Cathryn Williams, and also included counsel Philippa Lai and Bethany Warner, associate Aisha Zulfiqar, and trainee solicitor Phoebe Kinsman.

--Editing by Karin Roberts.
