# CaseCraft AI raises £550,000 to transform UK small claims with generative AI guidance



CaseCraft AI, an automated platform leveraging generative AI to assist users throughout the small claims process, has secured £550,000 in its second funding round, marking a significant step in efforts to improve access to justice in this area. The London-based company, co-founded by solicitor Michael Iatsukha, uses chatbots to guide both claimants and defendants through the complexities of small claims litigation. Its business model involves charging an onboarding fee of £15 and, if successful, collecting 10% of the amount claimed.

The founders, who began brainstorming ideas two years ago, identified small claims as a legal area ripe for transformation by AI, citing how the process remains confusing and financially inaccessible for many. Iatsukha, also a partner at Sterling Law, pointed out that over half of all small claims cases conclude with default judgments, largely because people struggle to file the necessary paperwork such as acknowledgments of service or defences. Furthermore, many potential claimants do not even know how to initiate small claims proceedings. The platform’s chatbot interface is designed to “hold the hand” of users by simplifying tasks like finalising pre-action protocol letters and preparing claim forms. Initially, CaseCraft supports cases under the HM Courts & Tribunals Service (HMCTS) money claims online service, but there are plans to expand its range to other types of small claims.

This AI-driven approach addresses the lack of accessible legal support in small claims, where individuals often face hurdles because legal fees for traditional representation can outweigh the costs recovered. Michael Iatsukha emphasised that it “made almost zero sense” to approach law firms for such claims, as associated fees are prohibitive. The platform also aids coordination of mandatory free mediation by HMCTS, further streamlining the dispute resolution process before court proceedings.

CaseCraft’s second funding round was led by Mount Fund, which contributed £300,000 of the total £550,000 raised. This investment follows an initial £500,000 raised in the company’s first funding round. The company operates with a lean structure, relying on a team of about a dozen freelancers rather than full-time employees. Industry professionals have supported the venture, with legal adviser Ed Crosse, a partner at Simmons & Simmons and former president of the London Solicitors Litigation Association, lending expertise to the project.

The fresh funding is earmarked for further development and refinement of the small claims platform, aiming to enhance user experience and expand service capabilities. The company is also focusing on advancing its AI technology to better streamline the litigation process, emphasising early dispute resolution to help avoid the need for court action. With a pre-money valuation of around £3 million, CaseCraft is positioning itself as a pioneering LegalTech solution that could help transform an area of law traditionally regarded as complex and inaccessible.

Laert Karaashev, head of venture capital at Mount Fund, expressed optimism about CaseCraft’s potential, stating, “We are proud to support CaseCraft AI in its journey to bring innovation to the UK’s small claims process. By making the system more accessible and efficient through cutting-edge AI, the platform has the potential to become a true champion for consumers.” This underscores wider investor confidence in LegalTech innovations aiming to democratise access to justice.

As it prepares for launch later this month, following extensive closed testing with over 100 clients from Sterling Law, CaseCraft AI stands out as an example of how artificial intelligence can be harnessed not just to automate processes but to genuinely assist individuals navigating the legal system. The platform’s vision to ease the small claims burden aligns with growing calls for legal systems globally to become more user-friendly and cost-effective, particularly for low-value disputes where traditional legal representation is impractical.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.legalfutures.co.uk/latest-news/automated-small-claims-platform-secures-550000-in-funding), [[2]](https://www.legalfutures.co.uk/latest-news/automated-small-claims-platform-secures-550000-in-funding), [[4]](https://tech.eu/2025/06/19/casecraftai-to-enhance-small-claims-latform-with-ps550000-funding-boost/), [[7]](https://theaiinsider.tech/2025/06/23/casecraft-ai-secures-550k-to-scale-ai-powered-small-claims-platform/)
* Paragraph 2 – [[1]](https://www.legalfutures.co.uk/latest-news/automated-small-claims-platform-secures-550000-in-funding)
* Paragraph 3 – [[1]](https://www.legalfutures.co.uk/latest-news/automated-small-claims-platform-secures-550000-in-funding)
* Paragraph 4 – [[1]](https://www.legalfutures.co.uk/latest-news/automated-small-claims-platform-secures-550000-in-funding)
* Paragraph 5 – [[1]](https://www.legalfutures.co.uk/latest-news/automated-small-claims-platform-secures-550000-in-funding), [[4]](https://tech.eu/2025/06/19/casecraftai-to-enhance-small-claims-latform-with-ps550000-funding-boost/), [[7]](https://theaiinsider.tech/2025/06/23/casecraft-ai-secures-550k-to-scale-ai-powered-small-claims-platform/)
* Paragraph 6 – [[1]](https://www.legalfutures.co.uk/latest-news/automated-small-claims-platform-secures-550000-in-funding), [[4]](https://tech.eu/2025/06/19/casecraftai-to-enhance-small-claims-latform-with-ps550000-funding-boost/), [[6]](https://bebeez.eu/2025/06/19/london-based-startup-casecraft-ai-raises-e644k-to-further-develop-its-small-claims-platform/), [[7]](https://theaiinsider.tech/2025/06/23/casecraft-ai-secures-550k-to-scale-ai-powered-small-claims-platform/)
* Paragraph 7 – [[1]](https://www.legalfutures.co.uk/latest-news/automated-small-claims-platform-secures-550000-in-funding), [[4]](https://tech.eu/2025/06/19/casecraftai-to-enhance-small-claims-latform-with-ps550000-funding-boost/), [[7]](https://theaiinsider.tech/2025/06/23/casecraft-ai-secures-550k-to-scale-ai-powered-small-claims-platform/)

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## Bibliography

1. <https://www.legalfutures.co.uk/latest-news/automated-small-claims-platform-secures-550000-in-funding> - Please view link - unable to able to access data
2. <https://www.legalfutures.co.uk/latest-news/automated-small-claims-platform-secures-550000-in-funding> - CaseCraft AI, an automated platform using generative AI to guide users through the small claims process, has secured £550,000 in its second funding round. Co-founder Michael Iatsukha highlighted the platform's role in assisting claimants and defendants, charging a 10% fee upon successful claims. The initiative aims to address the lack of accessible legal support in small claims, with plans to expand beyond the HMCTS money claims online service.
3. <https://www.eu-startups.com/2025/06/london-based-startup-casecraft-ai-raises-e644k-to-further-develop-its-small-claims-platform/> - London-based CaseCraft.AI has raised €644,000 in funding, led by Mount Venture Capital Fund with a €351,000 participation. The funds will be used to develop, test, and refine its Small Claims platform, aiming to assist individuals and businesses in filing and defending small claims. The platform focuses on early dispute resolution, helping users reach settlements before court action becomes necessary.
4. <https://tech.eu/2025/06/19/casecraftai-to-enhance-small-claims-latform-with-ps550000-funding-boost/> - CaseCraft.AI has secured £550,000 in funding at a £3 million pre-money valuation, led by Mount Fund with a £300,000 participation. The company plans to use the funds to further develop, test, and refine its Small Claims platform, aiming to streamline the litigation process and emphasize early dispute resolution to help users reach settlements before court action becomes necessary.
5. <https://casecraft.ai/casecraft-ai-closes-550000-funding-round-to-transform-the-small-claims-process-in-the-uk/> - CaseCraft.AI has closed a £550,000 funding round to transform the small claims process in the UK. The company plans to use the funding to turn its vision into reality, aiming to affect change in the small claims process and push the boundaries of AI in legal tech.
6. <https://bebeez.eu/2025/06/19/london-based-startup-casecraft-ai-raises-e644k-to-further-develop-its-small-claims-platform/> - CaseCraft.AI, a UK LegalTech company, has secured €644,000 in funding with a €3.5 million pre-money valuation to develop, test, and refine its Small Claims platform. The funding round was led by Mount Venture Capital Fund with a €351,000 participation, aiming to assist individuals and businesses across the UK in filing and defending small claims.
7. <https://theaiinsider.tech/2025/06/23/casecraft-ai-secures-550k-to-scale-ai-powered-small-claims-platform/> - UK legal-tech firm CaseCraft.AI has raised £550,000 at a £3 million pre-money valuation to advance its AI service that helps people file and defend small-claims actions and settle disputes before court. Mount Fund led the round with a £300,000 commitment, with plans to refine the company’s AI models, expand its engineering team, and amplify national outreach.