

Debt recovery: costs information

Debt recovery – Individuals

Stage 1 – Letter Before Action:

Time scale - 28 Days

During this initial stage we check if a bankruptcy petition is already in place and ensure you have complied with the pre-action protocol for a debt claim. Once the initial checks have been undertaken, under this stage we will prepare a letter to the debtor demanding payment within 7 days, if payment is not received, court or insolvency proceedings will be instigated.

If the debt is admitted at this stage, your case will conclude and discussions regarding payment will take place. However, if the debtor does not respond, your matter would move to stage 2 of the recovery process. If the debtor responds disputing the debt and if you wish to proceed with the matter, we would then charge our fees at an hourly rate.

The fees you will pay for stage 1 depends on the value of the debt owed to you. Please see the table below outlining the fixed fee bands.

Debt value	Our fee
Up to £999.99	£48 (PLUS £9.60 VAT)
£1,000 - £10,000	£70 (PLUS £14 VAT)
£10,001 plus	£100 (PLUS £20 VAT)

If the debtor is unable to pay in full we will be able to assist you with negotiating a payment plan for a fixed fee of £120 (PLUS £24 VAT).

Stage 2 – Issue

Timescale 28 Days

If the debtor does not respond to the initial letter, we will continue to take action to recover the debt. Depending on the value of your debt, we will either issue a court claim for debts below £5,000 or alternatively serve a Statutory Demand for debts over £5,000. If the debtor defends the claim and you wish to proceed with the matter, any further work would be charged at our hourly rate.

Court Claim

Debt value	Our fee	Court fees
Up to £1000	£186 (PLUS £37.20 VAT)	£35 - £70
£1,001 - £10,000	£186 (PLUS £37.20 VAT)	£80 - £455
£10,001 plus	£186 (PLUS £37.20 VAT)	5% of claim value limited to £10,000

Statutory Demand

Our fee £186 (PLUS £37.20 VAT)	Process Server £80 (PLUS £16 VAT)
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If the debtor is unable to pay in full we will be able to assist you with negotiating a payment plan for a fixed fee of £120 (PLUS £24 VAT).

Stage 3 – Enforcement

If the debtor has not responded following the action taken under stage 2, we will proceed to enter and enforce judgment against the debtor if a court claim was issued or issue a bankruptcy petition if a Statutory Demand was served.

We will advise you on the enforcement options available for your matter. The table below outlines the enforcement options and the costs associated with each option.

Option	Our fee	Disbursements
Entering judgment	£232.50 (PLUS £46.50 VAT)	
Warrant of control (Bailiff)	£110 (PLUS £22 VAT)	£420 Debts over £1,500 Fees above + 7.5% of debt value
Warrant of control (HCEO)	£110 (PLUS £22 VAT)	£1,000 (PLUS £200 VAT) Debts over £1,000 Fees above + 7.5% of debt value
Charging Order	£250 (PLUS £50 VAT)	Search fee £3 Court fee £110
Third party debt order	£500 (PLUS £100 VAT)	£110
Attachment of earnings	£500 (PLUS £100 VAT)	£110
Register on existing bankruptcy petition	£232.50 (PLUS £46.50 VAT)	General Search £11 Search in Person £45
Issue petition for bankruptcy	£500 (PLUS £100 VAT)	Court fee £280 Petition Deposit £990

Debt recovery – businesses

Stage 1 – Letter before Action – Issue Claim

Time scale - 28 Days

During this initial stage we check if a winding up petition is already in place. Once the initial checks have been undertaken, under this stage we will prepare a letter to the debtor demanding payment within 7 days, and if payment is not received, court or insolvency proceedings will be instigated.

If the debt is admitted at this stage, your case will conclude and discussions regarding payment will take place. However, if the debtor does not respond, your matter will move to stage 2 of the recovery process. If the debtor responds disputing the debt and if you wish to proceed with the matter we would then charge our fees at an hourly rate.

The fees you will pay for stage 1 depends on the value of the debt owed to you. Please see the table below outlining the fixed fee bands.

Debt value	Our fee
Up to £999.99	£48 (PLUS £9.60 VAT)
£1,000 - £10,000	£70 (PLUS £14 VAT)
£10,001 plus	£100 (PLUS £20 VAT)

If the debtor is unable to pay in full, we will be able to assist you with negotiating a payment plan for a fixed fee of £120 (PLUS £24 VAT).

Stage 2 – Issue

Timescale – 28 Days

If the debtor does not respond to the initial letter, we will continue to take action to recover the debt. Depending on the value of your debt we will either issue a court claim or consider with you whether to serve a Statutory Demand for debts over £750. If the debtor defends the claim and you wish to proceed with the matter, any further work would be charged at our hourly rate. The average defended Trial would be in the region of £500 (PLUS £100 VAT) and a disbursement to counsel of an average of £500 (PLUS £100 VAT)

Court Claim

Debt value	Our fee	Court fees
Up to £1000	£186 (PLUS £37.20 VAT)	£35 - £70
£1,001 - £10,000	£186 (PLUS £37.20 VAT)	£80 - £455
£10,001 plus	£186 (PLUS £37.20 VAT)	5% of claim value limited to £10,000

Statutory Demand

Our fee £186 (PLUS £37 VAT)	Process Server £80 (PLUS £16 VAT)
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If the debt is recovered we will be able to assist you with negotiating a payment plan for a fixed fee of £120 (PLUS £24 VAT).

Stage 3 – Enforcement

Time scale 1 month – 6 months

If the debtor has not responded following the action taken under stage 2, we will proceed to enter and enforce judgment against the debtor if a court claim was issued or issue a winding up petition if a Statutory Demand was served.

We will advise you on the enforcement options available for your matter. The table below outlines the enforcement options and the costs associated with each option.

Option	Our fee	Disbursements
Entering Judgment	£232.50 (PLUS £45.50 VAT)	
Warrant of control (Bailiff)	£110 (PLUS £22 VAT)	£420 Debts over £1,500
		Fees above + 7.5% of debt value
Warrant of control (HCEO)	£110 (PLUS £22 VAT)	£1,000 (PLUS £200 VAT) Debts over £1,000
		Fees above + 7.5% of debt value
Charging Order	£250 (PLUS £50 VAT)	Search fee
		£3 Court fee
		£110
Third party debt order	£500 (PLUS £100 VAT)	£110
Issue wind-up	£1,000	Court fee

petition	(PLUS £200 VAT)	£280 Petition Deposit
		£1,600

Experience and qualification of debt recovery team

- Nick Gee – Partner 30 years’ experience, with hundreds of case work experience will work 20% of his time in supervising debt matters of all ranges of complexity.
- Clare Durkin – Senior associate – 10 years’ experience with hundreds of case work experience working 20% of her time on Debt recovery matters of all ranges in complexity.
- Rebecca Blundell Solicitor – 5 years’ experience with Hundreds of casework experience working 20% of her time in case work experience of all ranges of complexity.
- Rubina Alam – Paralegal – 2 years’ experience with hundreds of case work experience working 50% of her time in debt recovery matters of all ranges of complexity.