

Debt Recovery

Our aim is to provide a proactive debt recovery service and to maximise the prospect of a successful recovery.

These costs apply where:

- your claim does not exceed £100,000.
- is in relation to an unpaid debt which is not disputed.
- enforcement action is not needed.

If the other party disputes your claim at any point, we will discuss any further work required and provide you with revised advice about costs, if necessary, which could be on a fixed fee (e.g., if a one-off letter is required), or an hourly rate if more extensive work is needed.

Hourly rates range from £180 to £300 plus VAT depending on the experience and qualification of the appropriate fee earner.

Stage 1 – Letter of Claim

£200 plus VAT per invoice

Our letters of claim will demand payment of the outstanding debt within 30 days.

Our fees at Stage 1 include -

- Includes taking instructions.
- reviewing supporting documents provided by you at the outset.
- advising on course of action.
- Undertaking appropriate searches.
- calculating monies recoverable
- Sending a letter of claim.
- preparation and sending letter of claim by first class post to a UK address.
- Informing you of any response within 10 days.

Stage 2 – Court action

In most cases we find the initial letter of claim is enough to prompt a debtor to pay. However, in the other cases further action may be required. The next stage is to commence Court proceedings against your debtor.

- Preparation and issue of court action - £350 + VAT
- There will be a Court fee payable depending on the value of the claim. Court fees ranges from £80,000 for claims less than £1,500 to £455 to claims between £5,000 - £10,000.

Our fees at Stage 2 include -

- Applying to the County Court to claim money you're owed.

Once the Court has issued the claim, the Defendant shall have a period of **14 days** to file a Defence. If the Defendant files an Acknowledgment of Service, indicating an intention to defend the claim, this time limit is extended to 28 days.

If the Debtor does not respond the next stage is to apply to the Court for default judgment.

- Preparation and application for default judgment - £50.00 plus VAT
- There will be a Court fee of £80.

Our fees at Stage 2 include -

- Applying to the Court to enter Judgement in default, where there has been no Acknowledgement of Service or Defence received.

Disputed claims

If during the debt recovery process, the matter becomes disputed or is defended we will discuss the change in fees with you and agree a way forward.

Upon a case being defended we will advise as to the merits of that defence and provide a full breakdown of likely costs of continuing the action.

However, to give you an indication of fees, all work will be charged on a time spent basis in accordance with hourly rates. As set out above, the average hourly rate of fee earners in the Dispute Resolution Team is £300 per hour plus VAT at 20% (£60.00)

Additional services if necessary

If default judgement is unsuccessful, we will advise you of the next stages to proceed with recovering the debt. This can vary from case to case and so we have listed below any fees which may be applicable. We will advise you according to your individual case, which of these are applicable to your matter and also advise of any disbursement which may be payable at each stage.

Enforcement of Judgment

- Warrant of Execution – £100 +VAT
- Attachment of Earnings – £175 +VAT
- Third Party Debt Order – £275 +VAT
- Charging Order over property – £500 + VAT

Anticipated disbursements

- Court application fees – £110
- Representative's fees- will depend upon hearing location

Timescale: A typical timescale for enforcing a judgment is 8 – 12 weeks.

Insolvency

Issuing a Statutory Demand – Winding Up / Bankruptcy – £300 + VAT

Anticipated disbursements

- Process server fees: £125 plus vat

Timescale: Once a statutory demand has been served upon the Debtor, the Debtor shall have 21 days to make payment.

Bankruptcy Petition – £1,500 +VAT

Anticipated disbursements

- Process server fees – £125 plus vat
- Court application fee – £302
- Official Receiver Deposit – £990

Winding Up Petition – £1,500 + VAT

Anticipated disbursements

- Process server fees – £125 plus vat
- Court application fee – £302
- Official Receiver Deposit – £1,600
- London Gazette Advertisement -£101.52 plus vat.

A typical timescale for obtaining a bankruptcy order / winding up order is 8 – 12 weeks from the presentation of the petition.

People carrying out our debt recovery services

All of our team are experienced in debt recovery and work together to provide you with the best possible service. Our Managing Director, Parvien Akhtar has 25 years of experience of dealing with debt recovery.