

Standard Debt Recovery Charges

The below provides some basic information about the way in which we will charge for debt recovery matters referred to us and the likely court fees you might incur.

Wherever possible, we would look to recover some or all costs by applying interest and charges to the debt in accordance with any contractual terms that permits the recovery of costs incurred.

All fees and disbursements are subject to VAT at 20% with the exception of Court fees where no VAT applies

Pre-legal fees

Where it applies, we add reasonable recovery legal costs in accordance with S5A(2A) of the Late Payment of Commercial Debts (Interest) Act 1998 to the debt, so they recoverable from the Debtor. However, if the debt and costs are not recovered, we will charge a nominal fee to cover costs.

We charged fixed fees for letters of claim, based on the value of the debt being pursued (a higher fee is charged for debts valued at more than £10,000). Further work conducted on your behalf such as collections, pre-legal activity, dispute resolution or negotiations for settlement will be charged on a time spent basis at the rates below, unless agreed otherwise

Legal proceedings (not including Court fees or other disbursements)

Where it applies, we add additional reasonable recovery legal costs in accordance with S5A(2A) of the Late Payment of Commercial Debts (Interest) Act 1998 to the debt for legal proceedings, so they recoverable from the Debtor.

Where we are unable to recover these reasonable recovery legal costs from the debtor, we will charge you nominal fees for certain stages, specifically issuing a claim and applying for a Writ of Control for the purpose of enforcement.

We are able to offer a wide range of enforcement options ranging from instructing High Court Enforcement Officers, Attachment of Earnings Orders and Charging Orders. If, as an alternative, you wish to explore options such as issue of a Statutory Demand, a Winding Up Petition or a Bankruptcy Petition, we will refer you to our colleagues in the Restructuring and Insolvency team who can provide you with specialist advice.

Hourly rates

Where work is undertaken outside of a nominal fee stage, or where a claim becomes defended, work is undertaken on a "time spent basis". The applicable hourly rates are:

Status	Hourly rate
Partner	£345.00
Legal Director	£310.00
Senior Associate	£280.00
Associate	£260.00
Debt Recovery Manager	£250.00
Solicitor	£250.00
Trainee Solicitor	£190.00
Legal Executive	£190.00
Paralegal	£180.00
Legal Apprentice	£120.00

Standard Court fees

Court Issue (Money Claims Online)

up to £300	£35.00
£300.01 to £500	£50.00
£500.01 to £1,00	£70.00
£1,000.01 to £1,500	£80.00
£1,500.01 to £3,000	£115.00
£3,000.01 to £5,000	£205.00
£5,000.01 to £10,000	£455.00
£10,000.01 to £200,000	5% of claim value
More than £200,000	£10,000

Timescales

We will acknowledge your instruction within 24 hours and send out the initial letter before claim to the debtor within 48 hours, for a standard debt recovery referral.

A commercial (business) debtor will be provided with 14 days to make payment, proposals for payment or provide details of any dispute. An individual (person) debtor is provided with 30 days to enable them to seek independent advice, should it be needed.

Once legal proceedings are issued, a debtor has 21 days (7 days for service of proceedings then 14 days to respond) before we can enter judgment (CCJ). Therefore, for an undefended claim, judgment may be obtained within 6 weeks of instruction for a business or 8 weeks for an individual.

Defended legal proceedings really depend on the debtor being engaging and attempting to settle, and the Courts' capacity for track allocation and hearings. A defended small track claim (up to £10,000) could take 9-12 months to get to mediation or a trial, whereas a more complex claim might take closer to 18-24 months to resolve.

Throughout a defended claim process, we will endeavour to engage with the debtor to determine whether settlement is an option. While settlement may mean you will have to be flexible in the sum you will received, that sum will be in your bank sooner and legal/ Court fees may not have been incurred.

Typically for enforcement we will instruct a High Court Enforcement Officer on your behalf. Once the judgment has been transferred to the High Court, a Notice of Enforcement letter is sent to the debtor (in accordance with compliance) providing them to pay or contact within 7 days. If no payment or response is received, an Officer will attend the debtor's premises within 7 days to collect payment or levy on any assets for removal and sale at auction. If it gets this far (which isn't often at all), the process could take 4-6 weeks.

Our team

Clare Murphy, Partner, Head of Debt Recovery

As head of team she ensures the training and development of the team meets the excellent service standards promoted to our Clients. Her Client relationship management ensures KPI's and SLA's are adhered to and continually considers improvements to add value and provide an excellent client experience.

Clare's Client services include the prioritising of recoveries for stressed companies, on-site attendance, "day one" ledger collections and guarantor enforcement for lenders and liquidators, and business to business debt recovery and litigation.

Clients include high street banks, secured and unsecured commercial lenders, accountants, insolvency practitioners, commercial entities, universities, and fee-paying schools.

Stephen Thorn, Debt Recovery Manager

Stephen specialises in the Debt Recovery process from initial instruction to all enforcement proceedings and has over 20 years' experience dealing with a wide range of Client's including banks, commercial lenders, debt purchasers, guarantee enforcements and business to business debts.

As a manager of the team he ensures our Clients receive a speedy but thorough service to provide the strongest possibility of a recovery, and provides all options to allow the Client to make an informed decision throughout the process. He also provides supervision to our Paralegals to maintain the quality of work and is key to their development

Paralegals

We have a team of paralegals who are responsible for the smooth progression of matters referred from our Clients, from the initial instruction, drafting pre-legal correspondence, issuing legal claims through to enforcement and remitting recovered funds.