

IS YOUR BUSINESS OWED MONEY?

Biscoes Debt Recovery Procedures and Costs

Pre-Action – Action

Before any legal proceedings take place, you will need to write a Letter Before Action to your debtor who will then have a timeframe to respond. If the debtor is an individual or sole trader, they will have 30 days to reply and, if they are a business, they will have 14 days to reply.

We charge a fixed fee to draft and send the Letter Before Action to your debtor which will include taking initial instructions, reviewing documentation and providing you with initial legal advice regarding the outstanding debt.

We will also discuss with you alternative methods of settlement usually named Alternative Dispute Resolution. This can be anything from making contact with the debtor ourselves or arranging mediation.

Fixed Fee - £50 plus 20% VAT

What's included:

- Obtaining instructions
- Reviewing documents
- Providing legal advice and discussing the legal process
- Drafting and sending the Letter Before Action to the Debtor

All claims between £500 and £9,999 will incur a 2% recovery charge on any monies recovered. All claims over £10,000 will incur a 5% recovery charge on monies recovered.

Next stage - County Court Proceedings

If payment is not received within the timeframe to reply to the Letter Before Action. The next stage would be to issue court proceedings to obtain a judgment against the debtor. We will draft the court papers, file them with the court and follow the process up to the application for judgment.

Unfortunately, it is not possible to recover your solicitor fees from the debtor, but there are provisions within the procedural rules that will enable you to recoup some compensation back to cover these fees.

With this in mind we offer a fixed fee for this service relative to the total value of your claim so that you are fully aware of any legal fees you will need to invest to get your money

What's included:

- Obtaining instructions
- Drafting Claim Form and Particulars of Claim
- Sending the court papers to Court for processing
- Monitoring claim up to the application for judgment

**please note that the court fees and recoverable costs are subject to change by the Court Service

Level of Debt	Our Fixed Fees excl. 20% VAT	Court Fees **	Fees that can be recovered
Up to £300	£70.00	£35.00	£50.00
More than £301 up to £500	£70.00	£50.00	£50.00
More than £501 up to £1,000	£80.00	£70.00	£70.00
More than £1,001 up to £1,500	£100.00	£80.00	£80.00
More than £1,501 up to £3,000	£150.00	£115.00	£80.00
More than £3,001 up to £5,000	£200.00	£205.00	£80.00
More than £5,001 up to £10,000	£275.00	£455.00	£100.00
More than £10,001 up to £100,000	£400.00	5% of the value of the claim	£100.00
From £100,001	For claim values over £100,001 please contact the team on 02392 660261		

Application for a Judgment

We charge an additional fee of £30 plus 20% VAT to apply to the court for the Judgment.

Timescales

Each case is different, so it is not possible to state for how long it will take to obtain, however from issue to Judgment takes approximately 4 to 8 weeks.

You have a Judgment - now let's look at Enforcement!

Once you have your Judgment, the goal of course is to get paid. This is called enforcement. There are various ways in which to enforce a Judgment and we will discuss with you the best options for you dependant on the debtor and your situation.

We will provide a fixed fee for the various options.

Enforcement & What's included in our fees	Extras to Consider	Our Fixed Fees excl. 20% VAT	Court Fees **
High Court Enforcement (HCE) <ul style="list-style-type: none">• Sending Instructions to HCE to obtain a Writ of Control.• Monitoring progress and providing updates.	Writ of Control will be required.	£75.00	£71.00
Warrant of control <ul style="list-style-type: none">• Drafting and filing the application to issue a warrant of control.		£75.00	£83.00
Application for an order for a debtor attend court to provide information <ul style="list-style-type: none">• Drafting and filing the application with the court.• Arranging for Process Server to serve Order.• Providing advice and assistance during process.		£200.00	£59.00
Application for an attachment of earnings order <ul style="list-style-type: none">• Drafting and filing application to the Court.• Guidance throughout the process to include regular updates and advice.		£200.00	£119.00 per debtor

<p>Statutory Demand</p> <ul style="list-style-type: none"> • Completion of the Statutory Demand • Arranging for personal service of the document to include instructing a Process Server. • Advice and guidance throughout the process. 		£200.00	N/A
<p>Application for a Charging Order</p> <ul style="list-style-type: none"> • Completing and sending application to the court • Obtaining Office Copies from the Land Registry • Drafting statements • To complete tasks required by the Court to obtain a Final Charging Order in an undisputed case. • Application to the Land Registry for a restriction on the land or property of the debtor in your favour. • Providing guidance and assistance throughout the process. 		£300.00	£119.00
<p>Application for a third-party debt order</p> <ul style="list-style-type: none"> • Drafting and filing application to the court for a third-party debt order. • Instructing Process Server to serve official documentation on the debtor. 		£600.00	£119.00 per party

Additional costs to consider in enforcement

Additional Requirements	Extra Fee excl. 20% VAT	Our Fixed Fees excl. 20% VAT
High Court Enforcement Agents will charge a fixed fee if they are unsuccessful in enforcement.	Agent's fees from £90.00	
Once you have applied to the County Court for a Charging Order, you will need to register this Order at the Land Registry.	£40.00 per application (no VAT required)	
Instructions to an agent to personally serve an Order or Summons (for example an Order for Information must be personally served on the debtor)	Agent's fees from £100.00 to £210.00	£40.00
Instructions for an agent to investigate debtor.	Agent's fees £200.00 to £1500.00	£40.00

Disputed Debt Claims

Pre Action Disputed Claims

Sometimes a debtor will respond to a Letter Before Action disputing the claim you are seeking to make. You will undoubtedly need to enter into correspondence and/or negotiation in order to settle the dispute before court action is required. If this occurs, we will be happy to provide you with advice and offer Alternative Dispute Resolution options which will be charged on an hourly rate basis.

Post Action Disputed Claims

Once your claim is issued at the court, a debtor will have the opportunity to file a Defence and/or a counterclaim and if they do this, the claim will become "disputed". We will discuss the prospects of your case moving forward based on the contents of the Defence and complete any tasks in line with the procedural requirements set by the court up to the final hearing. Our fees for disputed claims will be charged at an hourly rate relevant to the appropriate lawyer required and, you will be provided with an estimate of the anticipated fees for completion of the work dependent on complexities of the case.

Debt Recovery Lawyers	Hourly Rate
Naomi Taylor is a Legal Advisor (Paralegal) with	£126.00 per hour plus 20% VAT
Supervising Naomi Taylor is Kevin Richardson, who is an Associate Chartered Legal Executive and the Deputy Head of the Dispute Resolution and Litigation department, working in the legal profession since 1988.	£275.00 per hour plus 20% VAT

Extra expenses to consider in post action disputed claims:

Hearing Fees

The Court charge a fee to the Claimant to pay for a final hearing (if it gets that far) dependent on the value of the claim and which track the claim is allocated to.

Court Fee	Amount
Small Claims Track	
up to £300	£27
between £300.01 and £500	£59
between £500.01 and £1,000	£85
between £1,000.01 and £1,500	£123
between £1,500.01 and £3,000	£181
more than £3,000	£346
Fast track claim	£545
Multi track claim	£1,175

For more information or to get started, please contact Naomi of our Commercial Debt Recovery Team on 02392 660261 or email info@biscoes-law.co.uk.