

Scott Bailey LLP

DEBT COLLECTION

We charge a fixed fee for debt collection for debts of up to £100,000. For debts of over £100,000, please contact either Nick Jutton (nick@scottbailey.co.uk) or Jason Grimster (jason@scottbailey.co.uk) for a quote and further details.

If a debt claim is defended, then before proceeding further we will provide you with an estimate of likely costs to continue with the claim. We cannot give you an accurate estimate of likely fees for representing you in relation to a defended claim until we have details of the Defence and so can assess with you the complexity of the issues, the strength or weakness of the Defence and the likelihood of success.

As to undefended debt collection claims, we have set out below our fees by reference to the value of the claim (up to £100,000) for each stage of the process.

There are three stages. The first is writing a Letter of Claim or a Pre-Action Debt Collection Protocol Letter of Claim (for debts owed by an individual to a business). Secondly, drafting and arranging the issue of proceedings to recover the debt in the County Court. Thirdly, the costs of applying for a Judgment in default of an acknowledgement of the Claim or of a Defence to the Claim.

We have also set out at the end of this guide, details of costs for enforcing a Judgment.

In addition to our fees, there are fees to pay to the Court to start Court proceedings. These are updated from time to time. The current fees to start Court proceedings to recover a debt can be found at: www.gov.uk/court-fees-what-they-are.

Stage 1

Letter of Claim

The first stage of the proceedings is that we will write to the debtor demanding payment of the monies owed to you. If you are a business and the debt is owed to you by an individual, then the letter will be compliant with the Pre-Action Protocol for Debt Collection. The letter will threaten Court proceedings if payment is not made.

The amount of our fees for writing the initial letter to include obtaining detailed instructions from you depends on the value of the debt owed to you. Details are set out below:

Amount Owed	Our Fee	VAT	Total
Up to £300	100.00	20.00	120.00
£301-£500	100.00	20.00	120.00
£501-£1000	100.00	20.00	120.00
£1,001-£1,500	200.00	40.00	240.00
£1,501-£3,000	200.00	40.00	240.00
£3,001-5,000	250.00	50.00	300.00

£5,001-£10,000	250.00	50.00	300.00
£10,001-£100,000	350.00	70.00	420.00

Stage 2

Issuing County Court Proceedings against your Debtor

At this stage we will arrange to start County Court proceedings against the debtor. We will file with the Court a Claim Form and Particulars of the amount owed and the reasons why it is owed. The Court will then arrange service on the debtor.

Debt Owed	Our Fees	Court Fees
Up to £300	100.00 plus VAT	35.00
£301-£500	150.00 plus VAT	50.00
£501-£1000	150.00 plus VAT	70.00
£1001-£1,500	200.00 plus VAT	80.00
£1,501-£3,000	250.00 plus VAT	115.00
£3,001-£5,000	300.00 plus VAT	205.00
£5,001-£10,000	350.00 plus VAT	455.00
£10,001-£100,000	3% of the value of the claim	5% of the value of the claim

Stage 3

If having been served with the County Court proceedings the debtor fails to acknowledge service of those proceedings within 14 days or if it does so, fails to file a Defence within 28 days of service, we will apply for a Judgment in default on your behalf. Our fees for applying for a Judgment will be as follows:

Amount Owed	Our Fee	VAT	Total
Up to £5,000	50.00	10.00	60.00
£5,001-10,000	100.00	20.00	120.00
£10,001-100,000	150.00	30.00	180.00

Enforcing Your Claim

Once having obtained a Judgment against the debtor, the next stage will seek to enforce that Judgment. There are a number of enforcement methods. We will discuss these with you and decide which of these are most appropriate in your particular case.

The table below sets out our fees and Court fees associated with different enforcement actions.

Enforcement	Our Fee	Court fees/other fees
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Application for an Order that the debtor attends Court to be questioned	150.00 plus VAT	Court fee: 55.00 Process server's fees to serve Order: 100-150 plus VAT approximately
Application for Warrant of Control (Bailiff)	120.00 plus VAT	Court fee: 110.00 (in the County Court)
Application for attachment of earnings Order	120.00 plus VAT	Court fee: 110.00
Application for third party debt Order	150.00 plus VAT	Court fee: 110.00 Representation at Court, estimated 500.00 plus VAT
Application for Charging Order on debtor's property	To be charged on a time spent basis. Estimated between 500-1,000 plus VAT to include representation at Court	Court fee: 110.00 HM Land Registry fee: £40