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Debt Recovery Fee Transparency

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Presented by
Scott Bailey LLP



Debt Recovery Fee Transparency

When it comes to bad debt, Scott Bailey's key focus is on resolving the matter simply, quickly and cost effectively. We are committed to providing you with clear and transparent costs information from the outset. We have the breadth of experience you need to provide you with the quality of service you are looking for. We would be happy to discuss our fees with you further.



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If your business needs a commercial debt recovery service to help you recover multiple debts, we are happy to work with you to discuss how we can best help your business to improve your credit control and ensure that we have the best chance of recovering the debts that are owed. We are happy to visit your premises if that would be helpful.



We set out below our range of fixed fees for collection of an undisputed debt. These costs apply where your claim is in relation to an unpaid invoice where there is no dispute and enforcement action is not needed. 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.

What our Fixed Fee includes:

- Taking your instructions and reviewing your paperwork
- Undertaking any appropriate searches
- Sending a Letter of Claim
- Receiving payment and remitting this to you or, if the debt is unpaid, drafting and issuing a claim
- In the absence of a Defence or an Acknowledgment of Service, making an application to the Court to enter Judgment in Default
- Following receipt of the Judgment, writing to the debtor to request payment
- If payment is not received within 14 days, advising you on the next steps and likely costs.

If a debt claim is defended, then before proceeding further we will provide you with an estimate of the likely costs to continue with the claim. We cannot give you an accurate estimate in relation to a defended claim until we have details of the Defence. We can then 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.

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. There are three stages.

Stage 1

Letter of claim:

We will write to the debtor demanding payment of the monies owed to you. 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 £1,000	£100	£20	£120
£1,001 to £3,000	£200	£40	£240
£3,001 to £10,000	£250	£50	£300
£10,001 to £100,000	£350	£70	£420



Stage 2

Issuing Country 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 Fee	VAT	Total
Up to £300	£100	£20	£35
£301 to £500	£150	£30	£50
£501 to £1,000	£150	£30	£70
£1,001 to £1,500	£200	£40	£80
£1,501 to £3,000	£250	£50	£115
£3,001 to £5,000	£300	£60	£205
£5,001 to £10,000	£350	£70	£455
£10,001 to £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 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	£10	£60
£5,001 to £10,000	£100	£20	£120
£10,001 to £100,000	£150	£30	£180

Stage 4: Enforcing Your Claim

Once we have 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.

Matters usually take 12 to 16 weeks from receiving your instructions to receiving payment from the debtor depending on whether or not it is necessary to issue a claim. This is on the basis that payment is made promptly upon receipt of the Judgment in Default. If the matter becomes defended or it is necessary to take enforcement action, the matter will take longer to resolve.



Enforcement	Our Fee	VAT	Court fees / other fees
Application for an Order that the debtor attends Court to be questioned	£150	£30	Court fee: 55.00 Process server's fees to serve Order: 100-150 plus VAT approximately
Application for Warrant of Control (Bailiff)	£120	£24	Court fee: 110.00 (in the County Court)
Application for attachment of earnings Order	£120	£24	Court fee: 110.00
Application for third party debt Order	£150	£30	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 5001,000 plus VAT (600 to 1200 inclusive of VAT)		Court fee: 110.00 HM Land Registry fee: £40



Prices and fees quoted are subject to change. Prices quoted are correct as at the time of printing. Please contact the relevant department for up-to-date prices and bespoke quotes.

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