

# DEBT RECOVERY

We understand that incurring further costs when recovering a debt can be a further frustration.

The first step in recovering a debt is often sending the debtor a Letter Before Action. However, before doing so we would always wish to meet with you to ensure that we understand the nature of the debt together with checking that it is legally enforceable together with assessing the commercial viability.

The consultation fees are as follows:

- |                        |                  |
|------------------------|------------------|
| 1. Partner             | £200.00 plus VAT |
| 2. Associate Solicitor | £150.00 plus VAT |
| 3. Trainee Solicitor   | £100.00 plus VAT |

When booking an appointment, you can either make the selection at that time or give our experienced staff some information regarding the level of the debt or the complexity so that they may assist you in selecting the right solicitor. If need be, we will be able to accommodate you changing solicitor if circumstances develop which requires such a change.

Our Letter Before Claim charge will be as follows:

Number of debtors	Fee
One to ten debtors	£150 plus VAT
Ten plus debtors	£50 plus VAT per letter

In some circumstances, further charges might be incurred. For instance, if the debtor has left their last known address then tracing agents may be required to be instructed. Furthermore, if the debtor is residing in a property which does not have a postal address then the service of a process server may also be required. We will discuss these additional charges with you before they are incurred.

### **Negotiations with Debtors**

Often upon receiving a Letter Before Action, a debtor may contact us to discuss the possibility of either negotiating a settlement or making a payment proposal. These negotiations can vary substantially due to the complexity or affordability of the matter. In these instances, we would charge between £350 - £1,000 plus VAT.

If the matter were to escalate to court then the parties will have been expected to have taken certain steps to avoid issuing a claim. The steps that should be undertaken must be assessed on a case by case basis.

### **Taking Stock**

As a result of this engagement with the debtor, further issues may have arisen. Furthermore, we may have to consider elements of disclosure which may undermine

or assist the case. We would always look to undertake this exercise before advising on whether a claim should be issued in the court. The costs that you are likely to incur for this stage is £300 - £1,000 plus VAT based on the hourly rate of the solicitor you instruct.

### **Issuing a Claim**

In certain circumstances, a debt will not be recovered unless a claim is issued.

The cost in relation of drafting a claim when applying for default judgment on an undefended case would be:

<b>Value of your claim</b>	<b>Fee payable</b>
£1,000 - £10,000	£350 - £450 plus VAT
£10,001 - £50,000	£450 - £750 plus VAT
More than £50,000	£500 - £1,000 plus VAT

In addition to Price and Kelway's costs a court fee is also required payable to issue the claim. These change from time to time and so you should click the link below to be directed to the court's guidance notes.

<https://www.gov.uk/government/publications/fees-in-the-civil-and-family-courts-main-fees-ex50>

If you wish to engage in negotiations with the Defendant after judgment has been issued then we would expect your costs to be in the region of £150 - £500 plus VAT depending upon the complexity of the negotiations.

## **Court Hearing**

In the event a court hearing was required for consideration of preliminary issues then we would always look to minimise your costs exposure by instructing an agent to attend in our place. The charge of this would be approximately £135.00 plus VAT with an additional £50.00 plus VAT charge brought by Price and Kelway. If you wish for your solicitor to attend this hearing then this will be agreed with you beforehand.

## **Defended cases**

If the matter is below £10,000 then it is likely to be allocated to the Small Claims Track. Whilst court disbursements (court fees) may be awarded your legal costs are only awarded in limited circumstances. We would look to charge between £1,500 - £2,000 plus VAT depending upon the hourly rate of the solicitor acting for you. This will include the completion of your claim and other court forms, the drafting of witness statements, (all due care and attention throughout), together with instructing an agent for your trial. In the event that you wish to instruct your solicitor to attend the hearing then this will be agreed with you beforehand. In more complex matters we may advise you to instruct a barrister but again this will be discussed with you beforehand.

If your claim is more than £10,000 then your matter is likely to be allocated to either the Fast or Multi Track. The extra work that is required with these matters can vary substantially and so we would give you a clear cost estimate once we are better informed as to the complexity and nature of the defence involved.

## Enforcement

The fixed prices listed below assume that the action is not contested. If the matter becomes contested or we are required to undertake any work which is excluded from the fixed price package, we will provide you with a clear estimate based on our hourly rates.

Enforcement Type	Fee	Disbursements, Searches, HMLR fees; Court fees do not incur VAT	Includes
Writ of Control (High Court Enforcement Officers (HCEO)).	£350 plus VAT	<ul style="list-style-type: none"> <li>· Renewed bankruptcy searches at £2 per name.</li> <li>· High Court Enforcement fee of £66.</li> </ul>	<ul style="list-style-type: none"> <li>· Instructing and liaising with the HCE officer.</li> <li>· Updating and advising you regarding the enforcement process.</li> </ul>
Charging Order (figures quoted per property)	£450 plus VAT	<ul style="list-style-type: none"> <li>· Land Registry searches at around £10.</li> <li>· Bankruptcy searches at £2 per name.</li> <li>· Land Registry application fee of £20.</li> <li>· Court fee of £110.</li> </ul>	<ul style="list-style-type: none"> <li>· Investigation the property asset to determine ownership.</li> <li>· Drafting application for Charging Order.</li> <li>· Service and registering the interim Charging Order.</li> <li>· Preparing and filing certificate of service.</li> <li>· Serving the final Charging Order.</li> </ul>

Order to attend court for questioning.	£500 plus VAT	<ul style="list-style-type: none"> <li>· Land Registry searches at around £10.</li> <li>· Bankruptcy searches at £2 per name.</li> <li>· Court fee £55 per debtor.</li> <li>· Process server fee – approx. £100 plus VAT per attempt to serve Order.</li> <li>· Agent fee of approx. £100 plus VAT to attend court.</li> </ul>	<ul style="list-style-type: none"> <li>· Drafting and filing the application.</li> <li>· Attending to service of the Order on the Defendant.</li> <li>· Instructing agent to attend appointment.</li> <li>· Advising you regarding outcome.</li> </ul>
Third party debt Order	£500 plus VAT	<ul style="list-style-type: none"> <li>· Bankruptcy searches at £2 per name.</li> <li>· Court fee £110 per party.</li> <li>· Agent fee of £100 plus VAT to attend court.</li> </ul>	<ul style="list-style-type: none"> <li>· Cursory investigations.</li> <li>· Drafting and filing application.</li> <li>· Serving interim Order.</li> <li>· Preparing for an instructing an agent to attend uncontested final hearing.</li> <li>· Serving the final Order.</li> </ul>
Statutory Demand	£350 plus VAT	<ul style="list-style-type: none"> <li>· Bankruptcy searches at £2 per name.</li> <li>· Court fee £280.</li> <li>· Official receiver deposit of £990.</li> <li>· Process server fee of £100 plus VAT</li> <li>· Agent/Counsel fee</li> </ul>	<ul style="list-style-type: none"> <li>· Preparing and filing Petition.</li> <li>· Arranging service of Petition on debtor.</li> <li>· Preparing for and arranging</li> </ul>

		between £100 - £350 plus VAT to attend court.	attendance at court hearing
Winding up Order	£1,000 plus VAT	<ul style="list-style-type: none"> <li>· Court fee of £280.</li> <li>· Official receiver deposit of £1,600.</li> <li>· Process server fee of £100 plus VAT.</li> <li>· Advertisement fee of £84.60 plus VAT</li> <li>· Agent/Counsel fee between £100 - £350 plus VAT to attend court.</li> </ul>	<ul style="list-style-type: none"> <li>· Preparing and filing Petition.</li> <li>· Arranging service of the Petition on the debtor.</li> <li>· Advertising the Petition in the Gazette.</li> <li>· Preparing for and arranging attendance at court hearing.</li> </ul>

Occasionally we will advise you to instruct counsel to advise you/represent you at court hearings. If we do, they will provide an estimate based on the work required. VAT is usually added to counsel's fees (depending on whether they are registered for VAT or not).

Any reference to VAT above is calculated at the standard rate for goods and services currently 20%.

Price and Kelway  
Solicitors  
17 Hamilton Terrace  
Milford Haven  
Pembrokeshire  
SA73 3JA

Tel: 01646 695311

Fax: 01646 695848

DX: 98400 Milford Haven

[enquiries@priceandkelway.co.uk](mailto:enquiries@priceandkelway.co.uk)

[www.priceandkelway.co.uk](http://www.priceandkelway.co.uk)