

Fixed-Free Debt Recovery Scheme



SA Law's fixed fee service is highly cost effective, yet still enables us to apply our personalised approach to legal support. Our objective is to undertake the necessary actions to recover your money as quickly as possible and respond swiftly to developments as they happen. Our service is broken down into four stages set out below.

The costs for this service are best described in the context of the four-stage, debt-recovery journey. We also provide details of any disbursements you need to pay which are the additional fees payable to third parties such as court fees.

Please bear in mind that our fixed-fee service is specifically for recovering money owed to organisations from other commercial organisations registered or situated in the UK, where there is no dispute over the money that is owed.

For information about debt recovery actions involving individuals and foreign organisations and disputed UK-based debts, please contact SA Law directly as both of these situations fall outside our fixed-fee offering. Call our St Albans office on 01727 798000, or our London office on 020 7183 5683 for a tailored quote.



STAGE 1 – DEBT RECOVERY PRE-ACTION

Our fees and the work undertaken

Once we understand the value and circumstances of the debt, we can identify the financial viability of pursuing it. To do this, we will carry out a brief review of the debt and an investigation into the debtor that owes you money. This work includes:

- A Companies House search to understand more about the debtor's directors and shareholders.
- A Land Registry search to understand what assets they own in England and Wales.
- Credit checks and 'track and trace' services to determine if they are able to pay the debt.

The next step is to prepare and send a 'letter before action' to the debtor on your behalf. This is a formal letter that observes court rules and imposes a fixed deadline for payment. The letter is a legal requirement before court proceedings can be started as it gives the non-payer time to settle the outstanding sum.

The fee for preparing the letter before action is £30 + VAT at 20%. The additional disbursement costs are detailed below.

Disbursements	Cost
Basic Companies House search	Free
Detailed Companies House search	£20 + VAT at 20%
Credit check	£20 + VAT at 20%
Insolvency search	Free
Land Registry search	£20 (No VAT)
Track and trace – we instruct an agent to make enquiries about the debtor and their financial circumstances.	£20 - £150 + VAT at 20% plus SA law fee of £40 +VAT at 20%

How long will it take?

From receipt of instruction, we aim to send out the letter before action within 3 working days.

STAGE 2 – COURT PROCEEDINGS

Our fees and the work undertaken

If the debtor fails to respond or pay within 14 days of receiving our letter, you can begin court proceedings. This includes:

- Preparing the court documents.
- Submitting the court documents to the County Court Business Centre for issue.
- Notifying you when the court have processed the claim and the deadline for the debtor to respond.

For this stage, the fees and disbursements are set out below and depend on the size of the debt and whether the claim can be sent to the court online or by post:

Debt range	SA Law Fee	Postal Court Fee Court Fee	Online Court Fee
Under £300.00	£50.00 + VAT at 20%	£35.00 (No VAT)	£25.00 (No VAT)
£300.01 - £500.00	£50.00 + VAT at 20%	£50.00 (No VAT)	£35.00 (No VAT)
£500.01 - £1,000.00	£70.00 + VAT at 20%	£70.00 (No VAT)	£60.00 (No VAT)
£1,000.01 - £1,500.00	£80.00 + VAT at 20%	£80.00 (No VAT)	£70.00 (No VAT)
£1,500.01 - £3,000.00	£80.00 + VAT at 20%	£115.00 (No VAT)	£105.00 (No VAT)
£3,000.01 - £5,000.00	£80.00 + VAT at 20%	£205.00 (No VAT)	£185.00 (No VAT)
£5,000.01 - £10,000.00	£80.00 + VAT at 20%	£455.00 (No VAT)	£410.00 (No VAT)
£10,000.01 - £50,000.00	£80.00 + VAT at 20%	5% of the claim	4.5% of the claim
£50,000.01 - £100,000.00	£100.00 + VAT at 20%	5% of the claim	4.5% of the claim
£100,000.01 - £200,000.00	Agreed on a case by case basis	5% of the claim	You cannot make a claim online
More than £200,000.00	Agreed on a case by case basis	£10,000.00	You cannot make a claim online

Please note that Court fees are subject to change by the Government, sometimes at short notice. We will always charge these at the current rates.

If the exact value of the claim is not known the court papers must be posted.

How long will it take:

From receipt of instructions we aim to issue court proceedings in approximately two weeks.

STAGE 3 – OBTAINING JUDGMENT

Our fees and the work undertaken

This next phase covers obtaining a County Court Judgment if the Defendant:

- does not respond to the claim; or
- responds to the claim, acknowledging service indicating an intention to defend the claim but doesn't file a defence within the required timescale; or
- responds to the claim to admit the debt (including any payment offers).

Our fees for requesting the court judgment are as follows:

Amount of Judgment	SA Law Fee
Under £200.00	£30.00 + VAT at 20%
£200.01 - £300.00	£40.00 + VAT at 20%
£300.01 - £400.00	£45.00 + VAT at 20%
£400.01 - £500.00	£50.00 + VAT at 20%
£500.01 - £1,000.00	£80.00 + VAT at 20%
£1,000.01 - £5,000.00	£200.00 + VAT at 20%
£5,000.01 - £15,000.00	£400.00 + VAT at 20%
£15,000.01 - £50,000.00	£600.00 + VAT at 20%
£50,000.01 - £100,000.00	£750.00 + VAT at 20%
Over £100,000.01	Agreed on a case by case basis

If the debtor disputes the claim, we will reassess the situation and advise you on the best course of action, and the associated costs. In these circumstances the matter will not be dealt with on this fixed fee scheme.

How long will it take:

From receipt of instructions to applying for a county court judgment, will typically take approximately one week.

STAGE 4 – ENFORCEMENT

What work will be included:

This phase covers what we can do if the debtor does not pay the county court judgment. The debtor has 14 days from the judgment date to make the payment.

There are a number of different enforcement strategies and we will advise on which are the most appropriate based on the circumstances. The usual methods are listed below, together with the fees and associated disbursements.

Enforcement method	SA Law Fee	Disbursements
Fee for advice on the most appropriate enforcement action.	£75.00 + VAT at 20%	N/A
Applying for an Attachment of Earnings Order, which can be useful if the debtor is an employee. This order forces their employer to pay part of their monthly salary to you until the debt is paid.	£200.00 + VAT at 20%	£110.00 court fee (No VAT)
Applying for a Third-Party Debt Order, which means funds owed to the debtor by a third party are paid to you.	£300.00 + VAT at 20% up to and including the first hearing	£110.00 court fee (No VAT)
Applying for a Charging Order, which secures land or shares owned by the debtor as security for your debt.	£400.00 + VAT at 20% up to and including the first hearing	£110.00 court fee (No VAT)
Applying to the county court for a Warrant of Control, which appoints a county court bailiff to visit the debtor's home or business to seize and sell assets (for debts under £5,000.00).	£60.00 + VAT at 20%	£110.00 court fee (No VAT)
Applying to the High Court for a Writ of Control, which is similar to a Warrant of Control, but a High Court enforcement officer is appointed to seize and sell assets (for debts over £600.00).	£150.00 + VAT at 20%	£66.00 court fee (No VAT) to issue the application. In the event of an unsuccessful enforcement action, a compliance fee of £75 + VAT at 20% is payable.
Applying for a Court Attendance Order, so the debtor can be questioned as to their finances by a court officer.	£350.00 + VAT at 20%	£55.00 court fee (No VAT) to issue the application. £150.00 + VAT at 20% agent's fee to serve the order on the debtor personally, and provide proof of doing so.
Serving a Statutory Demand, on the debtor requiring payment of the debt failing which a bankruptcy petition or winding up petition can be presented to the court.	£250.00 + VAT at 20%	£150.00 + VAT at 20% and the agent's fee to serve the demand on the debtor.
Issuing a Bankruptcy Petition, (for a judgment debt over £5,000.00)	£1,750.00 + VAT at 20% for debts up to £100,000.00. Debts over this amount will require a separate quote.	£280.00 (No VAT) court fee. £1,500.00 (No VAT) Official Receiver's deposit.

		£150.00 + VAT 20% agent's fee to serve the petition on the debtor personally, and provide proof of doing so.
Applying for a Winding Up Petition, to place an insolvent company into liquidation (for judgments that exceed £750.00).	£1,750.00 + VAT at 20% for debts up to £100,000. Debts over this amount will require a separate quote.	<p>£280.00 (No VAT) court fee.</p> <p>£2,600.00 (No VAT) Official Receiver's deposit.</p> <p>£150.00 + VAT at 20% agent's fee to serve the petition on the debtor personally, and provide proof of doing so.</p> <p>£70.00 + VAT at 20% for advertisement in the London Gazette.</p>

- We may not be able to pursue enforcement action after the 14-day period if the court has suspended either proceedings or the judgment. In this case, we will advise you about next steps.
- There will be additional agent's fees to be paid for representing you at hearings, which will vary depending on which court the hearing is held at.
- If the court sets up an income payments agreement or order, there will be an additional fee of £150.00 + VAT at 20%.

How long will it take:

This depends on the enforcement option chosen. Typically the application for any of the enforcement steps set out above will take between 2 – 8 weeks but possibly longer subject to court availability. We cannot say when or if any method will result in payment.

Who will undertake the work:



Simon Walsh

Partner
Simon.Walsh@salaw.com
01727 798085



Helen Young

Associate
Helen.Young@salaw.com
01727 798068



Anna Billy

Paralegal (ACILEX)
Anna.Billy@salaw.com
01727 798053