

Debt Recovery - Fees and costs

Thank you for asking us to collect your outstanding debts. We are delighted to be working with you, and please contact us if you have any queries.

Debt collection fees fall under the following five main headings. If we send a letter before claim on your behalf, issue proceedings, obtain judgment and subsequently have to enforce the judgment, you will incur fees under all five headings, but some of those fees may be recoverable from the debtor.

1a. Administration fee £25 plus VAT

This includes entering your details on to our system, sending a letter before claim and dealing with a response. You will be responsible for this fee.

1b. Stage 2 administration fee £25 plus VAT

Further letters, negotiating with debtor and dealing with further correspondence and telephone calls. You will be responsible for this fee.

2. Start of proceedings

These costs fall into two categories: county court fees and solicitors' fixed costs. Our costs are fixed by the county court and recoverable from the defendant if your claim is successful.

Amount of claim	Court fee (£)	Fixed costs on claim (£)
0-300	35	50
300.01 – 500	50	50
500.01 – 1,000	70	70
1,000.01 – 1,500	80	80
1,500.01 – 3,000	115	80
3,000.01 – 5,000	205	80
5,000.01 – 10,000	455	100

Amount of claim	Court fee (£)	Example values (£)	Example fees (£)	Fixed costs on claim (£)
10,001 - 200,000	5% of the claim	20,000	1,000	100
		50,000	2,500	100
		100,000	5,000	100
		150,000	7,500	100
		195,000	9,750	100

Amount of claim	Court fee (£)	Fixed costs on claim (£)
200,001 +	10,000	100

3. Fixed costs on judgment

All charges under this section may be recoverable from the debtor if the claim is successful. However, they remain your liability if the claim is not successful or if the debtor does not pay them.

In default of Acknowledgement:		
	£25 - £5,000	£22
	over £5,000	£30
In default of a defence:		
	£25 - £5,000	£25
	over £5,000	£35
By acceptance:		
	£25 - £5,000	£40
	over £5,000	£55

4. Enforcement

If judgment has been obtained, but payment is still not forthcoming from the debtor, there are various enforcement actions that can be taken. Only the fixed costs and county court fee are recoverable from the defendant if your claim is successful. We charge the following:

Enforcement action	Administration Fee (£)	Court Fee (£)	Fixed Costs (£)
Warrant of Control	10	110	2.25
Charging Order 1	100	110	110
Third Party Debt Order	50	110	up to 98.50
Attachment of Earnings	50	110	
Application to obtain information from a debtor 2	50	55	
Writ of Control	50	66	51.75

Further services and charges:	Administration Fee (£)	Court Fee (£)
Application to court 3	100	255
Consent Order 3	100	100
Proof of Debt form	25	
Statutory demand	500	100 service fee
Company reports / credit scores	10	

There are also expenses such as court fees, sheriffs' costs and land registry costs associated with these options. Further information is available on request.

5. Recovery charges

If proceedings have been issued and we recover the debt for you, a recovery charge of 5% will be paid by you to us.

If we monitor instalments for a period in excess of 3 months, and whether or not legal proceedings have been issued, a data process fee of 5% will be charged on the amount collected.

These amounts are exclusive of VAT. They are not recoverable from the debtor but instead will be deducted from the sums that we recover for you.

1. This charge does not include solicitors' fees for attendance at court hearing, which are charged on an hourly basis
2. There is also a charge for process servers' fees
3. This charge is for standard applications on Debt Recovery Unit files only

6. Standards

We aim to work to a very high standard and to provide you with the best advice and service we possibly can. If you ever feel that we fall short of these standards please let us know and we will do our very best to resolve any problems or concerns that you have. If you would prefer to raise this with someone else at Muckle LLP you can contact our Managing Partner, Jason Wainwright at any time.

If you don't feel that we are achieving the standards you expect or you are unhappy with any aspect of the service provided to you, have a right to complain to the Legal Ombudsman. Any complaints have to be made within six months of your last contact with us.

For further information please contact **Beverley Oliver** on **0191 211 7953** or **email:** beverley.oliver@muckle-llp.com

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