How does Debtlink work?

Four easy steps to recovering your debt

1 LETTER OF CLAIM

2 ISSUE THE CLAIM

3 REQUEST JUDGMENT

4 ENFORCING JUDGMENT

Our debt recovery experts

Our team has over 40 years of collective experience in collecting debts and commercial litigation.

A team of skilled paralegals will work on your matter.

The team is managed by Luke Richards and supervised by Jeremy Crook.

More details regarding the Debtlink team can be found on the web-site page and their biographies **https://www.stephens-scown.co.uk/business/disputes/debt-recovery/**

Stage 1 - Letter of Claim

Our initial Letter of Claim demanding payment is usually enough to encourage payment of the debt. Over 50% of debtors provide payment upon receiving our letter.

For **£120 +VAT** we will:

- Take your instructions;
- Prepare and send a Letter of Claim to your debtor (including contractual or statutory interest if appropriate); and
- Forward any payment received from your debtor to you.**

* Please note that any reference to VAT is at the current rate of 20% unless otherwise stated.
** Please note in some cases you could recover the debt, interest, an additional statutory penalty and 100% of your legal costs.

Stage 2 - Issue the Claim

In the event that payment is not received following the Letter of Claim, we can issue a claim on your behalf. That claim will include either contractual or statutory interest and you will also need to pay a Court issue fee depending on the value of your claim.

Our costs of issuing the claim are based on the value of your claim. If the claim is undisputed and the debtor pays you will recover the debt, interest, a statutory penalty (if relevant), the Court fee and up to 100% of your legal costs.

Court fees and our fixed costs for issuing claims in relation to undisputed debts

Debt value (including any interest claimed)	Court fee not subject to VAT	Our fee (+VAT)*
£0 – £300	£35	£185
£300 – £500	£50	£200
£500 – £1,000	£70	£280
£1,000 – £1,500	£80	£320
£1,500 – £3,000	£115	£345
£3,000 – £5,000	£205	£375
£5,000 – £10,000	£455	£415
£10,000 – £15,000	5% of the value of the claim	£500
£15,000 – £50,000	5% of the value of the claim	£575

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Stage 3 - Request judgment

If the debtor either admits or fails to acknowledge or defend the claim we will request judgment on your behalf. There is no Court fee for this but we will charge an additional fee for that request depending on a) the value of your claim (including interest) and b) whether the debtor has admitted the claim or failed to acknowledge or defend it.

When you obtain judgement it will include the debt, interest, a statutory penalty (if appropriate), the Court fee, up to 100% of your legal costs up to and including the issue of the claim and a contribution towards our costs for requesting judgment. In some cases the statutory penalty could mean that you will recover all of our costs for requesting judgment.

Fixed costs for requesting judgment in relation to undisputed debts

Type of request	Value of claim (including cost and interest)	Our fee (+VAT)*
Request for judgment in default of acknowledgment of the claim	£25 - £5,000	£100
Request for judgment in default of acknowledgment of the claim	Over £5,000	£115
Request for judgment in default of the debtor defending your claim	£25 - £5,000	£105
Request for judgment in default of the debtor defending your claim	Over £5,000	£115
Request for judgment on the debtor's admission of your claim and your acceptance of the debtor's offer to pay	£25 - £5,000	£125
Request for judgment on the debtor's admission of your claim and your acceptance of the debtor's offer to pay	Over £5,000	£150
Request for judgment on the debtor's admission of your claim where the Court decides the date and time for payment	£25 - £5,000	£150
Request for judgment on the debtor's admission of your claim where the Court decides the date and time for payment	Over £5,000	£170
Request for judgment rejecting the debtors offer of payment by instalment	£25 - £5000	£155
Request for judgment rejecting the debtors offer of payment by instalment	Over £5,000	£175

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Stage 4 - Enforcing judgment

If you obtain judgment and the debtor fails to pay you have various options to enforce the judgment. Details of the related Court fees and our costs are set out below.

If you successfully enforce the judgment you will recover the judgment debt plus the Court fee and an amount in relation to our costs for enforcing the judgment.

Please note there could be a shortfall in the recovery of your enforcement costs.

Enforcement options	Court fee	Our fee (+VAT)*
Warrant of Control - County Court	£96	£115
Re-issue Warrant of Control	£38	£80
Writ of Control - High Court	£82	£170
Charging Order	£139	£400
Attachment of Earnings Order	£139	£200 + £175 for each hearing we need to attend on your behalf
Third Party Debt Order	£139	£280**
Statutory Demand	No court fee	£450

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** If we must attend the hearing on your behalf then our time will be charged at an hourly rate of £175 +VAT and you will also be liable for our reasonable expenses.

Additional information

Optional extras	Our fee (+VAT)*
Worth suing report	£80
Debtor trace	£80 - £345
Telephone call to debtor chasing payment	£175 per hour
Administering instalment plan (per payment)	£20
Letter chasing debtor in default of payment plan	£70
Initial advice on options if claim is disputed	£175 per hour
Advice on enforcing judgment	£175 per hour
Post judgment payment demand letter	£100
Application for debtor to attend court for questioning	£200 – our fee £69 – Court Fee (VAT exempt) £175 for additional questions – our fee
Application to Court for an Order requiring the Land Registry to disclose details of property owned by your debtor	POA

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Key points

Anyone wishing to proceed with a claim should note that:

- The VAT element of our fee cannot be reclaimed from your debtor if you are VAT registered.
- Interest claimed on your debt may take the debt into a higher banding, with a higher Court issue fee and costs.
- Please note that the Late Payment of Commercial Debts (Interest) Act 1998 (the Act) allows you to claim interest from the date for payment of each invoice. For applicable debts, if your debt is comprised of a number of invoices we will claim interest under the Act in relation to the total amount due but it will only be from the date for payment of your last invoice. We can claim interest in relation to each invoice at an additional cost. If this is something you are interested in please speak with us.
- Any additional work not included above will be charged on a time spent basis at an hourly rate of between £175 and £185 +VAT depending on the seniority of the DebtLink team member.
- Disputed debts and any debts over £50,000 are not included in the DebtLink service. To discuss these excluded debts please contact a member of the team.

Timescales

Timescales will largely depend on how the debtor responds to your Letter of Claim or claim. If Court proceedings are not necessary, matters usually take around 2 to 5 weeks from receipt of instructions from you to receipt of payment from the debtor. If it is necessary to issue a claim and the debtor pays promptly on receipt of the claim or judgment, then matters usually take around 2 to 3 months to conclude. These are however general guidelines and additional factors such as whether the debtor is a Limited Company or an individual and how quickly the Court deals with your claim can cause matters to be delayed.

If enforcement action is needed, the matter will take longer to resolve.

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