



# **PRICING GUIDE**

## Debt Recovery

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## Geldards and Debt Recovery

Chasing late payment takes time and resource. Most businesses operate a tight ship and persistent non-payers can seriously affect a business' cash flow and ultimately its profits. Furthermore, if the situation is neglected, it can also impact on your business' overall financial standing.

Debt recovery requires a considered 'project management' approach. The method, speed and manner of the recovery must be fully scoped, planned, managed and costed but flexibility is key as circumstances often change during the recovery process. Geldards' specialist debt recovery team have a market-leading reputation for delivering effective and speedy debt recovery solutions for clients and debts of all sizes. We have an experienced team who are commercially aware and sensitive to your particular needs and who will work alongside you and recommend the most cost-effective means of securing payment of your debt.

## Description of the service

The costs set out below relate to a business to business debt of up to £100,000 and will apply if your claim is in relation to a debt which is not defended and/or enforcement action and/or insolvency proceedings are not needed. If your claim is defended and/or enforcement action and/or insolvency proceedings are necessary at any point, we will discuss any further work required and will provide you with revised advice about costs, which could be on a fixed fee or an hourly rate, if more extensive work is needed.

## Pricing structure

Our fees and other costs	Maximum VAT at 20%
Commission of up to 25% of sums recovered – average commission 17.5%*	As per the level of commission charged
Searches (if needed): <ul style="list-style-type: none"> <li>Land Registry enquiries - £10.00</li> <li>Consumer enquiry/search - £10.00</li> <li>External tracing agent referral - £10.00</li> <li>External tracing agent's fee** - average cost £50.00</li> </ul>	<ul style="list-style-type: none"> <li>£2.00</li> <li>£2.00</li> <li>£2.00</li> <li>£10.00</li> </ul>
Initial letter to your customer - up to £25.00	£5.00
Pre-legal aborted file fee*** - up to £75.00	£15.00

## General

\* The rate of commission charged will depend on the size of debt, volume of instructions, repeat business, etc, and will be agreed with you at the outset of your matter.

\*\* You may not be charged this fee in certain circumstances, e.g. there has not been a successful trace.

\*\*\* If you instruct us to close our file because it is no longer viable to pursue the claim, we may charge this fee to cover some of our time-costs incurred.

## County Court action (if needed)

### Issue of claim

Debt value	Recoverable from your customer		Not recoverable from your customer	VAT at 20%	Maximum charges
	Court fee	Our fee + VAT ("fixed costs")	Our fee + VAT ("preparation costs")		Total
£25 - £300	£35.00	£50.00	up to £75.00	£25.00	£185.00
£301 - 500	£50.00	£50.00	up to £75.00	£25.00	£200.00
£501 - 1,000	£70.00	£70.00	up to £100.00	£34.00	£274.00
£1,001 - 1,500	£80.00	£80.00	up to £100.00	£36.00	£296.00
£1,500 - 3,000	£115.00	£80.00	up to £125.00	£41.00	£361.00
£3,001 - 5,000	£205.00	£80.00	up to £125.00	£41.00	£451.00
£5,001 - 10,000	£455.00	£100.00	up to £150.00	£50.00	£755.00
£10,001 - 100,000	5% debt value	£100.00	up to £275.00	£75.00	*

\* This will vary depending upon the court fee which is based upon debt value at this level.

### Request for judgment in default

Debt value	Recoverable from your customer	Not recoverable from your customer	Maximum VAT at 20%	Total
	Our fee + VAT ("fixed costs")	Our fee + VAT ("preparation costs")		
£25 - 5,000	£22.00	up to £75.00	£19.40	£116.40
£5,001 and above	£30.00	up to £75.00	£21.00	£126.00

If you wish to proceed with a claim you should note that:

- The costs set out above:
  - o Do not apply to matters where the claim is defended and/or where enforcement action (if payment of a judgment is not made voluntarily, steps may have to be taken to "enforce" it through the courts) and/or insolvency proceedings (e.g. a statutory demand and/or a bankruptcy or winding up petition) are needed to collect your claim.
  - o Are based on a straightforward claim where the court serves the papers on your customer. If service is more problematic than anticipated then this is likely to increase the costs and we will provide details of any additional fees and charges at the relevant time.

- The VAT rate, court fees and fixed costs may be subject to change from time to time.
- The VAT element of our fees cannot be reclaimed from your customer.
- Interest and compensation may take the debt into a higher banding, with a higher cost.

Our fees include:

- Taking your instructions and reviewing documentation.
- Undertaking any necessary searches and sending an initial letter to your customer.
- Engaging with your customer.
- Receiving payment and sending it to you, or if the debt is not paid, discussing the options with you and taking your instructions.
- In relation to County Court action (if needed):
  - o Drafting and issuing your claim at court.
  - o Where no Acknowledgment of Service or Defence is received, applying to the court to enter Judgment in Default.
  - o When Judgment in Default is received, writing to your customer to request payment.
  - o If payment is not received, providing you with advice on the next steps and likely costs.

## **How long will my matter take?**

We aim to set up an account and send the initial letter to your customer within 48 hours of receipt of your instructions. Matters may settle in full within days of your instructions, however more complex cases, or cases requiring negotiated settlement terms, will require a longer period to conclude.

# Team Profiles

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**Paul Hopkins**  
Partner

T: +44 (0)29 2039 1727  
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Paul is a partner and head of the Commercial Dispute Resolution Team in Cardiff. He qualified as a Solicitor in 1987 and has expertise in handling high value, large and complex cases including debt recovery. He was a director of Go Debt Limited between 2000 – 2015 and supervises the Debt Recovery Team in Cardiff.



**Nino Simone**  
Partner

T: +44 (0)1332 378 320  
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Nino is a partner and head of the Commercial Dispute Resolution Team in the Midlands. He qualified as a Solicitor in 1991 and has expertise in handling high value, large and complex cases, including debt recovery. He supervises Lewis Adamson.



**Christine Sharpe**  
Head of Debt Recovery

T: +44 (0)29 2038 6541  
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With over 28 years' experience of working in a collections environment within three large law firms Christine has extensive knowledge of the debt recovery industry including collections and oversight management of a broad range of debt types and clientele.



**Lewis Adamson**  
Solicitor

T: +44 (0)1332 378 337  
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Lewis qualified as a Solicitor in 2018 and specialises in Dispute Resolution and Litigation. Lewis has experience of dealing with County Court proceedings, mediation and debt recovery matters.



**James Kalicinski**  
**Legal Assistant**

T: +44 (0)29 2038 6543  
E: james.kalicinski@geldards.com

James is a legal assistant with over 12 years' experience in the debt collection industry specialising in dispute resolution, commercial debt, civil litigation and insolvency. James is currently part-way through his CILEX law studies and has obtained a certificate in law and practice.



**Lesley Mortimer**  
**Legal Assistant**

T: +44 (0)29 2039 1794  
E: Lesley.mortimer@geldards.com

Lesley joined Geldards in 1985 and has extensive experience of the litigation process, enforcement and insolvency which has included contested debt claims.



**Lee Thomas**  
**Legal Assistant**

T: +44 (0)29 2039 1860  
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With over 20 years' experience of debt recovery, Lee joined Geldards in 2006 with extensive practical knowledge of the civil litigation and insolvency. Areas of expertise include mortgage shortfall, commercial, hire purchase finance, utilities and second placement debt purchase portfolios.

## **Supervision and quality statement**

We are committed to providing a reliable, effective and expert service to all clients and are certified under the ISO 9001 Quality Management System.

Paul Hopkins supervises the Debt Recovery Team which is based at our Cardiff Office and is headed up by Christine Sharpe. Nino Simone supervises the debt recovery work carried out at our Midlands Offices.



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