

Frequently Asked Questions

Our outstanding debt recovery process

Hilton-Baird's fast and efficient debt recovery service is proven to deliver results. By outsourcing your debt recovery to us, you can focus on running your business while we act quickly and professionally to minimise the impact of late payment and bad debts.

Debt instruction

Debt instruction begins upon receipt of your signed 'Debt Instruction Form', accompanied with all the relevant documentation from you. This documentation includes:

- Copy invoices
- Account statement of debt
- Correspondence relating to disputes
- Copy contract

Debt recovery cycle

Debt recovery commences within 24 hours of receiving your signed 'Debt Instruction Form'. Typically, the debt recovery process will result in the following outcomes:

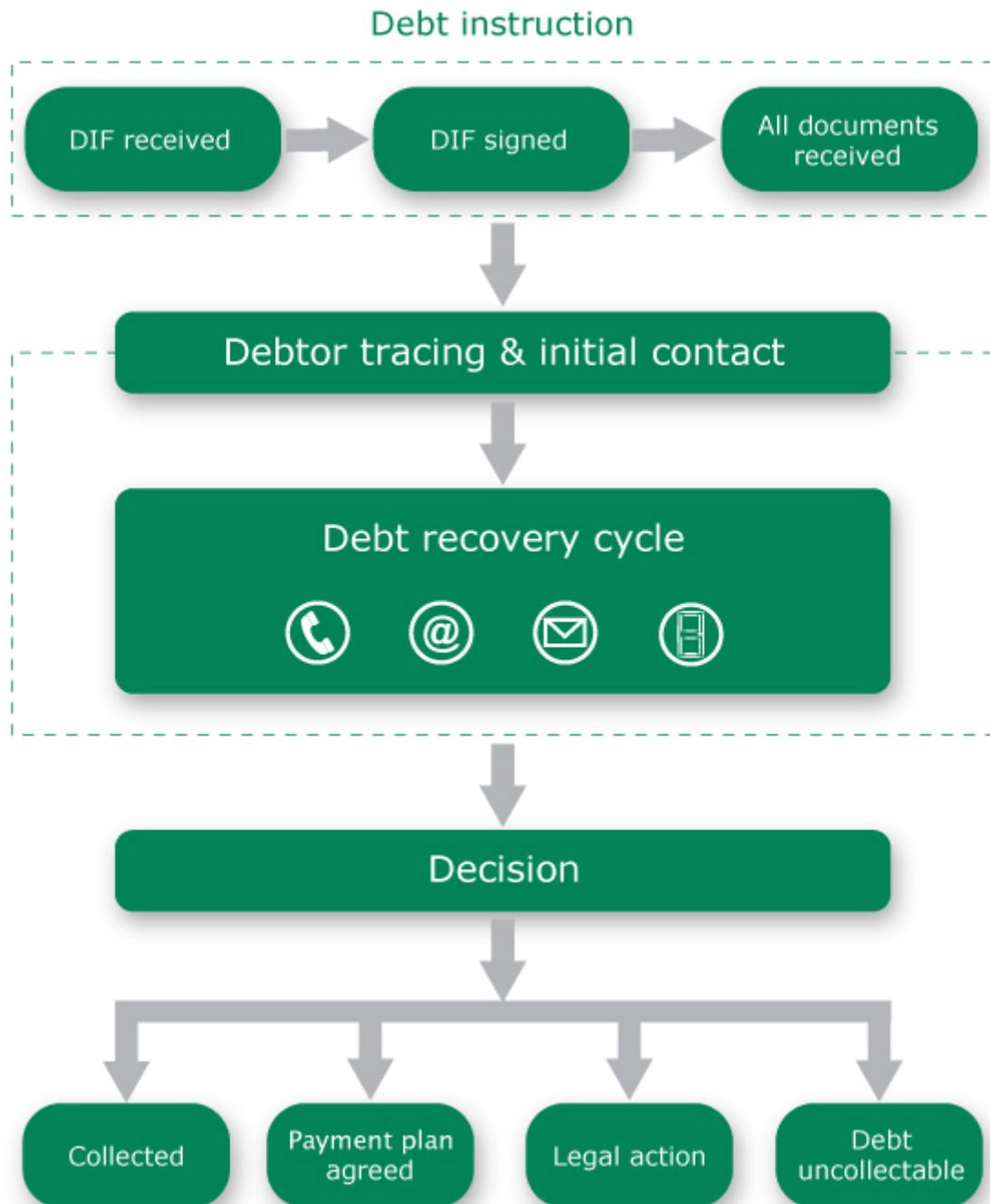
- Payment in full promised – we will advise you and monitor for payment receipts
- Repayment plan offered – we will advise you and formalise with your acceptance
- No response – tracing action commenced to find the debtor
- Dispute – we will update you with the debtor's feedback

Decision

Within 30 days of debt instruction, we will:

- Report to you on payment received (in full or part) from debtors
- Agree on a repayment plan with debtors
- Account to you for the debtor's payment (net of commission)
- Advise you of nil payment and can send a 'Letter Before Action'
- If still no response from the debtor, we will discuss the options of legal

Hilton-Baird typically conducts its collection activity on a success-only basis, which means we charge in proportion to what we recover; an approach that ensures we're fully committed to bringing the desired results for our clients. We also charge a small discretionary administration fee to assist with our initial debtor status verification process. We may also ask you for an up-front fee if you decide to instruct us to pursue legal action, as well as the court fees necessary to take the legal action. In both instances, please see our costing schedule for more information.



Frequently Asked Questions

General

How much do you charge?

Our collection fees are charged on a pre-agreed percentage basis of the money we recover, and this percentage is based on the age and nature of the debt. We also charge a small discretionary administration fee on each debtor account submitted to assist with our initial debtor status verification process. This process involves our team assessing the creditworthiness of your customer and ascertaining whether there are any outstanding County Court Judgments in place. This fee will also depend on your debtor's location:

Debtor's location	Administration
England & Wales	£50
EU	£100-150
Non-EU	£100-150

In the event it becomes necessary to take legal action, this would be discussed and agreed with you prior to any additional costs being incurred.

How long does the collections process take?

We aim to have all cases categorised within four weeks. There are four main categories we aim for in this period:

- Payment received
- The debt is disputed and under investigation
- The debt is uncollectable; for example, the debtor is in a formal insolvency
- Legal action recommended

How strong is my case?

Each case is individual and is assessed on its merits. This will be discussed with you prior to instruction.

What do you do that is different to anyone else; do you just send out letters?

We have perfected our negotiations skills over many years and believe in the power of communication. Whilst we send letters and emails, our collections efforts focus mainly on telephone contact, as this is where we believe results are best achieved for our clients.

Legal action

Can Hilton-Baird Collection Services issue a County Court Money Claim?

Yes. Should your case be deemed viable for legal action, you will be required to pay court fees. These are shown below, and are the standard costs set by the court. Hilton-Baird Collection Services will make a minimal charge of £150 + VAT to issue the LBA (Letter Before Action, which is standard court protocol before legal action), issue the Money Claim on your behalf and deal with the administration of the case, up to enforcement of either a Warrant of Control or Writ of Control, which is the High Court equivalent of a Warrant of Control.

How much does it cost to issue a County Court Money Claim?

This is dependent on the size of the debt. Please refer to the table below:

Size of debt	Court Issued Claim	Money Claim Online (MCOL)
Up to £300	£35	£25
£300.01 - £500	£50	£35
£500.01 - £1,000	£70	£60
£1,000.01 - £1,500	£80	£70
£1,500.01 - £3,000	£115	£105
£3,000.01 - £5,000	£205	£185
£5,000.01 - £10,000	£455	£410
£10,000.01 - £100,000	5% of the value of the claim	4.5% of the value of the claim
£100,000.01 - £200,000	5% of the value of the claim	N/A
More than £200,000	£10,000	N/A

* Maximum amount for money claims on MCOL is £99,999.99

What happens then?

Once the Money Claim has been issued, the defendant has a period of time to reply. In the main, they can either:

- Pay the claim in full, including interest etc.
- Admit the claim and make an offer of repayment over a period of time
- Admit part of the claim and dispute the balance
- Dispute the claim in full
- Ignore the claim – you can then apply for judgment in default

What happens after a County Court Judgment (“CCJ”)?

The only automatic events after a CCJ is obtained are administrative actions such as:

- The registration of the Judgment on the Court file
- The registration of the existence of the Judgment is also filed with an organisation called Registry Trust. That Registry will produce lists of County Court Judgments to third parties for a fee
- The forwarding of the CCJ document to you by the Court to confirm that a Judgment has been made against your company

However, once you have the CCJ, you then have the right to enforce it. You have several options and we will guide you through this process and discuss the options and costs with you. Some of the options for enforcement are listed below:

Warrant of Control: To take a further legal step by making a second Application to the Court for an Order that instructs County Court bailiffs to take seizure action against assets owned by the defendant, such as the seizure

of cars, machinery, office equipment etc. This is normally used for debts under £600. The court fee for this warrant is £100.00

Writ of Control: To transfer the case from the County Court to the High Court, for execution, and instruct a High Court Enforcement Agent (HCEA – formally a sheriff) to take seizure action against assets owned by the defendant, such as the seizure of cars, machinery, office equipment etc. Normally used for debts over £600. The costs of Hilton-Baird instructing a HCEA are the following:

- £66.00 – This fee is to transfer the County Court Judgment to a High Court Writ (Writ of Control). This is required to enable a High Court Enforcement Agents to be instructed.
- £90.00 – This fee is a Compliance fee which is only charged under the following circumstances; if the HCEA is unable to collect the balance of the referral, if the HCEA is unable to locate the defendant or the defendant issues an application to the court (for a stay of the Writ or a Judgment set aside).

What is the difference between a County Court Bailiff and High Court Enforcement Agent?

The main difference is that a County Court Bailiff is salary paid and therefore paid no matter what he/she collects. A High Court Enforcement Agent is paid a commission on what he/she collects. A case cannot be transferred to the High Court if it is under £600.

Will I get any court fees back?

Yes, all court fees are added to the amount claimed if you are successful.

What happens if the claim is disputed?

You will receive a copy of the defence. The case will be transferred to the defendant's local court. Both parties are then sent a Directions Questionnaire to ascertain the complexity of the Claim and Defence, so that it can be allocated (by a Judge) to a Court Track. There is an Allocation fee for the Claimant to pay. Claims are allocated to a Track according to their complexity and the amount/value of the Claim being made:

- Straightforward Claims of £10,000 and less are allocated to the Small Claims Track
- Claims of £10,000 – £25,000 that are expected to run for less than 1 day are allocated to the Fast Track
- More complex Claims of over £25,000 are allocated to the Multi Track

A Notice of Allocation is then sent to both parties. This includes the date, time and location of your Court Hearing. A further fee is payable.

The Notice of Allocation also tells both parties what they have to do to prepare for the Hearing. These instructions are called 'directions'. For example, the parties may be told to send copies of all the documents they intend to use as evidence to the court before the hearing.

Do I need a solicitor to go to court and will this cost more money?

It is not essential to be represented by a solicitor (unless a Judge specifically directs you should be). In fact, cases allocated to the Small Claims Track take place in the Judge's Chambers and are less formal. You won't be expected to deliver a slick, polished presentation of your Case, just to explain the course of events to the judge clearly and concisely in your own words. The atmosphere isn't intimidating.

Hilton-Baird Collection Services is unable to legally represent you in court. However, for a set fee of £300.00 + VAT, we will assist with the preparation of your Case. If your case is allocated to the Multi Track, it is more likely that you will need legal representation, but still not essential, and we can assist by recommending a firm of solicitors on our approved panel.

Remember, your claim is a Civil Case and, as such, only has to be proved on the 'balance of probabilities', i.e. if it's more likely that your version of events is true, then the Judgment will go in your favour. Please be advised that there are further court fees, such as the Pre-Trial Checklist and Hearing fees, payable to the court as per the table below:

Small Claims Track where the amount claimed is:	Hearing Fee
Up to £300	£25
£300.01 - £500	£55
£500.01 - £1,000	£80
£1,000.01 - £1,500	£115
£1,500.01 - £3,000	£170
More than £3,000	£335

	Pre-Trial Checklist	Hearing Fee
Fast Track Claim	£110	£545
Multi Track Claim	£110	£1,090

I would like more information; how do I get in touch?

If your question hasn't been answered in this document or you would like to talk to someone about your specific situation, please contact our team who will be happy to help. Email collections@hiltonbaird.co.uk or call 0800 9774848 to speak to someone about your query. Alternatively, more information is available on our website: www.hiltonbairdcollections.co.uk.