



LOVETTS SOLICITORS

UK & International Debt Recovery and
Litigation Specialists

EST. SINCE 1994

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 SCAN ME

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ABOUT US

Lovetts Solicitors have specialised in debt recovery and litigation for over a quarter of a century.

Accordingly we have built up considerable expertise in what we do and we get results for our clients due to our exceptional experience. We advise our clients on the best strategy for their cases and ensure that costs are kept to a minimum.

PERSONAL SERVICE

By spending the time to get to know our clients and the way they work, we are in a better position to provide relevant and appropriate advice to maximise recovery of their debts. Every client receives a dedicated point of contact responsible for their cases so they can speak to the same person each time without being passed around from department to department. That level of personal service is why we have many clients who are still happily using us for their debt recovery and litigation needs after more than two decades.

CASE STUDY

Lovetts Solicitors has experience supporting the world-class public services we have in the UK. We seek to offer the best value for taxpayers by recovering monies due to UK central government departments and other public sector bodies no matter how complex the debt recovery process.

For example, Lovetts acts on the behalf of an NHS Foundation Trust for the recovery of debt relating to treatment and hospitalisation for overseas visitors/patients. This is notoriously one of the most difficult debts to recover. However, Lovetts has the ability to trace the debtor both nationally and abroad, resolving disputes and assuring that appropriate repayment plans are negotiated, monitored and delivered when payment in full cannot be obtained. In addition, our legal knowledge allowed us to utilise Home Office rules such as registering the debt with Boarder Control to ensure there is leverage to secure payment.

We were able to significantly outperform the previous supplier resulting in payment in 40% of cases ensuring the UK taxpayer did not have to pick up the bill for the treatment received on those cases.



INNOVATION

Lovetts has always focused on technology and innovation to improve our client experience. The efficiencies we have created from our unique in-house built technology means we can pass on costs savings to our clients.

Lovetts was one of the first law firms in the country to create an online client portal. CaseManager is a unique online case management system that puts control of the legal process back into your hands.

CaseManager is so comprehensive that you can manage an entire case online using only this system.

With detailed reporting and the ability to view key dates and financials for all cases, including historical cases 24/7. CaseManager offers you a complete solution to manage the legal aspects of your collections.

To view a demonstration of Casemanager go to
<https://casemanager.lovetts.co.uk/>

and use the following details to log in:

Username: LOVETTS

Password: RECOVERY



We can also provide custom data transfer either via an API, or by scheduled secure data file transfer, as well as bespoke reporting and case update processes. Examples implemented for other clients include an evening email listing all cases opened that day, a weekly Excel sheet summarising cases closed the previous week, a weekly remittance advice PDF listing payments, and a real-time API integration allowing a client to send thousands of new cases directly to Lovetts at the push of a button.

4 STAGES OF DEBT RECOVERY

Stage 1 Letter Before Action

The first stage of the debt recovery process will be to send a Letter Before Action. If you are pursuing a business the letter will typically contain a warning that unless payment is made within 7 days legal proceedings may be issued. On average 86% of cases will result in payment at this stage.

If you are pursuing a debt(s) from an individual or sole trader, the Pre-Action Protocol for Debt Claims will apply. We will send a fully compliant Pre-Action Protocol letter that gives the individual 30 days to make payment and all the information required to make payment.

For more information on the Pre-Action Protocol visit
<https://lovetts.co.uk/uk-debt-recovery/pre-action-protocol/>



In addition to this, a further regulatory change for chasing debts against individuals and sole traders was introduced on 4th May 2021 called Breathing Space. We comply fully with the Breathing Space Regulations and provide online tools to allow clients to report any Breathing Space notifications to us. Further details of the Breathing Space Regulations can be found at

<https://lovetts.co.uk/breathing-space-regulations/>



Stage 2 Issue Court Proceedings

If you send a letter before action to your debtor but you do not receive a satisfactory response then the next stage in the legal process is to issue legal proceedings through the County Court. The debtor will be sent a court form requiring them to pay the debt, plus interest and costs within 14 days.



Stage 3 County Court Judgment (CCJ)

A County Court Judgment (CCJ) is a Court Order that confirms that the debtor has defaulted on payment. A CCJ can be obtained immediately after the expiry date of the County Court Claim. The CCJ is the final decision by the Court which gives you the power to take enforcement action in order to collect the debt.



Stage 4 Enforcement

Once a County Court Judgment has been obtained, it is then possible to enforce that debt immediately. At Lovetts we will always advise on the most appropriate method of enforcement based on their experience and expertise with similar cases.



ENFORCEMENT OPTIONS

Lovetts is experienced in all enforcement options. These options are as follows:

HIGH COURT ENFORCEMENT OFFICERS

The High Court Enforcement Officer (known as the HCEO) is the preferred method of enforcement for the majority of County Court Judgments (CCJs). The HCEO is an employee of a private company licensed by the High Court to enforce debts with a value of over £600 (unless the debt is regulated by the Consumer Credit Act and under £25,000).

The HCEO will attend the address you have for the debtor. Unlike the County Court Bailiff, the HCEO is paid on results and therefore has an incentive to collect the debt. The HCEO will seek to collect their costs from the debtor.

The HCEO also has additional powers over and above a bailiff – for example they are allowed to force entry to commercial premises if they have reasonable grounds to believe that goods belonging to the debtor will be found at that location.

COUNTY COURT BAILIFF

Unlike the High Court Enforcement Officer, a County Court Bailiff can enforce debts under £600 or debts under that are regulated by the Consumer Credit Act and under £25,000. However, the Bailiffs are employed by the Court and not necessarily incentivised to collect the debt. They will often only make visits during office hours whereas a High Court Enforcement Officer is more flexible. For that reason we do not recommend use of the County Court Bailiff unless the case circumstances preclude instructing a High Court Enforcement Officer.

THIRD PARTY DEBT ORDER

A Third Party, formerly known as a Garnishee Order, is a method of legally enforcing a County Court Judgment (CCJ) by obtaining payment from a third party that owes money to your debtor. This approach is often used by creditors who know the debtor's bank account details or they are aware of a large contract the debtor may have.

The major benefit of using a Third Party Debt Order to enforce your debt is that you retain an element of surprise. The debtor will not know when you make the application and they will not be notified until after you have served the third party with the Court Order. By the time the debtor is made aware of your application and Court Order, their bank account or funds held by a third party have already been frozen either in full or part.

Timing is crucial with Third Party Debt Orders as funds are frozen on the day of receipt of the Order by the Third Party, therefore if there are no funds available on that day the application for the Third Party Debt Order will fail.

ATTACHMENT OF EARNINGS

If your debtor is an individual who is employed, and you have the name and address of his/her employer, an Attachment of Earnings Order can be made which results in a proportion of the debtor's salary being deducted by their employer each month or week to satisfy the Judgment debt. An Attachment of Earnings Order cannot be made against a debtor who is self-employed, unemployed or against a pension income.

CHARGING ORDER

A Judgment Order can be secured against any property your debtor owns, whether as a sole or joint owner, by way of a Charging Order which is then registered with the Land Registry. If the debtor jointly owns the property, the charge will then be on their share of the property and not on the property itself. This is much less secure and is often known as a restriction.

Unfortunately, a Charging Order or restriction does not guarantee swift settlement of your debt and payment is usually only received if your debtor re-mortgages or the property is sold. You may therefore not receive payment for a number of years; if at all.

INFORMATION ORDER

An Information Order is a Court Order that requires the debtor to attend Court for questioning. It does not require the debtor to make payment, however it may be used to enable you to make a more informed decision on which enforcement method to use.

The Order to attend gives the debtor a date and time they must attend Court to answer formal questions on their income and expenditure. If the debtor fails to attend, they can be held in contempt of Court and committed to prison for a short period. It is therefore a requirement that the Information Order is personally served on the debtor.

At the appointment, the debtor is also given the opportunity to offer payment proposals. If these are accepted, the Court will create a Variation Order which can be enforced in the same way as a Judgment Order should the debtor fail to keep to the arrangement.

INSOLVENCY

If a debtor does not make payment on demand and the debt is not disputed, they are technically deemed insolvent. If you are concerned that your debtor may have other creditors chasing payment from them, commencing Winding Up Proceedings against a company or Bankruptcy Proceedings against an individual means you could jump straight to the front of the queue for payment.

Instead of the usual process of issuing a County Court Claim, you can commence insolvency action by initially sending a Draft Winding Up Petition to a company or a Statutory Demand to an individual. On average 81% of cases are paid at this stage without further insolvency proceedings being issued.

We have extensive experience in issuing Winding Up and Bankruptcy petitions to collect debt.

WINDING UP PETITIONS

As a result of changes from 1st October 2021, you can only start insolvency proceedings against a company if the debt is more than £10,000, does not relate to sums due under a commercial tenancy agreement and you have given the debtor a 21 day notice.

Draft Winding Up petitions are drafted by us and accompanied by a letter to the debtor requesting payment in accordance with the 21 day notice requirements. A warning is also included, stating that if payment is not forthcoming, the petition will be presented to Court. This almost always has the desired effect, as the debtor will of course want to avoid the cost, stress and inconvenience of going to Court.

When a full petition is issued, the Court will seal the petition and give a date for a Court hearing. The petition is then served upon the company. The petition can be advertised in the London Gazette 7 days after service and this will freeze the debtor's bank account therefore, there is an incentive to make payment as quickly as possible.

Once the petition has been advertised, other creditors may wish to support the petition. Care is needed in any withdrawal after advertisement, as the Court will require an explanation.

BANKRUPTCY PETITION

In order to start insolvency proceedings against an individual, the debt must be worth more than £5,000 and it has to be undisputed.

The first step in the process is to issue a Statutory Demand. This sets out the basis of the debt and gives the debtor 21 days from service to pay. It must be served personally on the individual, and service proven.

If the debt is not paid (and no application is made by the debtor to set it aside) then the next step is to issue a bankruptcy petition to the Court. The Court will give a date for a hearing and the bankruptcy and the petition should also be served personally, and proof of service must be produced to the Court.

All formalities must be strictly complied with to be successful in obtaining an Order at the hearing of the Petition.

COSTS

Lovetts has always prioritised cost effective debt recovery. The efficiencies we have created from our in-house built technology means we can pass on cost savings to our clients.

We work with our clients to find a pricing model that suits their needs, whether that is through a contingency (no collection-no fee) service or a fixed fee model.

We do not believe Creditors should be left out of pocket collecting monies that are rightfully due to them therefore, we will always seek to recover costs from the debtor wherever possible.

AWARDS AND ACCREDITATIONS

Lovetts is regulated by the Solicitors Regulation Authority which means there is not a requirement to be FCA regulated. Nevertheless, we work to the highest standards in respect of debt recovery and that includes working to the FCA guidelines.

Our accreditations include Lexcel, which is the Law Society's recognition for excellence in Legal Practice Management. Only 15% of law firms hold this accreditation. We also hold Cyber Essential Plus and are ISO 27001 accredited. Accordingly, you can be assured that your data will be protected with us.

Lovetts are also members of the Civil Court Users Association, the Credit Services Association and the Chartered Institute of Credit Management.

Our work has received a number of awards and a sample of these are detailed below:



SOCIAL VALUE

At Lovetts we ensure that we treat everyone fairly. Staff are fully trained on identifying vulnerable debtors and ensuring there is full compliance with Breathing Space Regulations. In addition, a number of our staff are fully trained Mental Health First Aiders through.

Being in debt can create significant pressures on individuals and business owners. This can often impact on mental health. According to the Royal College of Psychiatrists, 1 in 4 people that have a mental health problem are also in debt. Accordingly, Lovetts Solicitors has sought to give back through their support of Oakleaf, a mental health charity based in Guildford which supports adults throughout Surrey aged 16-67 who are struggling with their mental health. Lovetts is one of the founding members of Oakleaf's Mental Health Leaders Network.

Lovetts also hold Planet Mark Certification. The Planet Mark Business Certification is an internationally recognised sustainability certification for business and a critical step in reducing our impact on the environment and society.

Lovetts is also accredited with Living Wage Employer status. The cross-party project seeks to encourage businesses to go beyond the government's basic national living wage and pay a 'real living wage' based on what employees and their families need to live. We were also the first debt recovery firm to sign up to the Good Business Charter – a new initiative bringing together industry, trade unions, the public sector and the third sector to improve and reward positive business behaviour.



MEET THE TEAM



MICHAEL HIGGINS

Our Managing Director and qualified Solicitor, Michael Higgins has over 15 years' experience in debt recovery and oversees a "People First" policy whereby the Company puts people before profit as a stated objective. He will be available at all times throughout the contract for high-level service, contractual or commercial issues.



ANDREW DANCY

Andrew is our IT Director and has been at the forefront of our development having joined Lovetts over 17 years ago. Andrew will be responsible for any technical requirements from access and operation of our client portal Casemanager through to implementing any API or reporting requirements.



AMY TILLEY

Amy is our Marketing and Client Services Executive who will assist with any client service needs. She will ensure that your staff receive the relevant log in details to our client portals and receive any training in respect of operating the portal.



SARB DHALIWAL

Sarb Dhaliwal is our Legal Department Manager and would be a daily point of contact for you. Sarb is a Chartered Legal Executive and has been with Lovetts for over 12 years and remarkably she has never lost a case at a hearing.



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