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## Debt Recovery Procedure

- Step 1** Advise client of procedure ensuring compliance with the lease, legislation and codes of practice.
- Step 2** Compliant service charge demand issued and posted on accounting system.
- Step 3** **PAID**  
No further action.
- UNPAID**  
Issue reminder letter if not paid within appropriate timeframe. Warning of additional costs if account not settled within 14 days.
- Step 4** Issue 2<sup>nd</sup> letter if account remains outstanding, advising that should payment not be received within 7 days, further costs will be incurred. Administration Charge of £25.00 + VAT applied to tenant account with compliant demand and copy of Terms and Conditions.
- Step 5** Issue 3<sup>rd</sup> letter if account remains outstanding, advising that should payment not be received within 7 days, action will be commenced. Administration Charge of £25.00 + VAT applied to tenant account with compliant demand and copy of Terms and Conditions.
- Step 6** Handover to external Debt Collection Agency subject to client instruction. Charge of £80.00 + VAT applied to tenant account with compliant demand for compiling instructions, information and interest charges applied in accordance with the Lease, sufficient for 3<sup>rd</sup> party to take recovery action.
- Step 7** In the event a case proceeds to court and is defended by the Lessee, provide copy of 3<sup>rd</sup> party debt collection's Conditional Fee Agreement to client for agreement and instruction.