

Undefended Debt Recovery

Fixed Fee Work

Sending to the Debtor a Letter before Action demanding Payment

Fixed fee of £35.00 (plus vat)

For the fixed fee to apply you will need to supply us with the following information/documents:

1. Full name and current address of the Debtor.
2. Copies of the outstanding invoice[s] issued to the Debtor by you or some other document that shows the Debtor owes you money, e.g. Loan Agreement.
3. If there has been partial payment of the debt, an up to date Statement showing the balance that is still due.
4. If you want to add interest for late payment under your contract terms, a copy of the terms.
5. Any emails or other correspondence where the Debtor has admitted the debt and/or given some explanation as to why it has not been paid.

NOTE: If the Debtor is disputing the sum we cannot deal with it under the fixed fee. We will be able to review the papers, advise and act for you in a disputed claim but all of that work will be charged on a time spent basis and we will provide you with a likely fees estimate based specifically on the individual needs of your case.

The fixed fee assumes you are able to provide the above information in one package. If we have to carry out investigations because e.g. information is missing, or the identity/location of the Debtor is unclear etc that work will be charged on a time spent basis at a charge out rate of £95 per hour plus vat.

If the Debtor is an individual or an unincorporated business (i.e. not a Company), we are required to give them 30 days to respond to the Letter before Action.

Starting the Court Claim

If the Letter before Action is ignored or no payment is made we can issue the Court Claim. Our additional fees for preparing the Court papers (which you will have to sign) and lodging them with the Court will be charged on a time basis of £95 per hour plus VAT.

In addition you will have to pay a Court fee at the point the papers are lodged with the Court. This is set by the Court and starts from as little as £35.00 but the fee increases on a sliding scale depending on the amount you are claiming.

Once we know the sum you are claiming and have calculated any applicable interest, we can confirm exactly what the Court fee will be and you will have to pay that sum to us so we can in turn pay it to the Court on your behalf.

The Court can take up to 2 weeks to deal with the papers and send them to the Debtor. The Debtor has a further 2 weeks to respond to the Claim. If they ignore the papers we will obtain the Judgment from the Court. This will be for the sum claimed plus the Court fee and a fixed proportion of your legal



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costs. The Court allows you to add either £22 or £30 plus VAT depending on the value of the Claim for the additional costs of applying for Judgment and we will charge you that sum.

If the Debtor responds to the Claim by disputing part of the sum claimed and you ask us to deal with the defended part on your behalf, the work carried out will be charged on a time spent basis at £150 per hour plus vat. We will again give you a range of estimated costs at this point.

If the Defendant responds by admitting the debt but asks to pay by instalments and you ask us to deal with that on your behalf, the work carried out will be charged on a time spent basis at £95 per hour plus vat.

Enforcing a Judgment

If the Debtor still does not pay having received the Judgment from the Court, you will have to take steps to enforce the Judgment. The Court will not automatically do this for you. If you ask us to do this work it will not be on a Fixed Fee basis.

We will advise you on what steps to take but any work we do in the enforcement process will be charged to you on a time spent basis at £95-150 per hour plus vat, depending on the type of enforcement request. We will give you a range of likely estimated costs (including details of further Court fees) at this point.

The fixed fee work, any additional work to obtain the undefended Judgment and dealing with most of the enforcement options on your behalf will be carried out by a Debt Recovery Paralegal or a Trainee Solicitor.

A Defended Claim

If the Claim is defended and you wish us to continue to act for you, the case will be passed to a Solicitor in the team and we will provide you with charging rates and a range of estimated fees at that point.

